

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice. Capitalised terms used herein shall have the same meanings as those defined in the section headed "Definitions" in this Prospectus, unless otherwise stated.

If you have sold or transferred all your Shares in Vanke Property (Overseas) Limited, you should at once hand this Prospectus and the accompanying PAL(s) and EAF(s) to the purchaser(s) or other transferee(s) or bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

A copy of each of the Prospectus Documents, together with the written consent of KPMG, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Registrar of Companies in Hong Kong, the Stock Exchange and the SFC take no responsibility for the contents of any of these documents. You should read the whole of the Prospectus Documents including the discussions of certain risks and other factors as set out in the paragraph headed "Warning of the risks of dealing in the Shares and Nil-Paid Rights Shares" in the "Letter from the Board" and in the section headed "Risk Factors relating to the Rights Issue" in this Prospectus.

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the Rights Shares in both nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from their respective commencement dates of dealings on the Stock Exchange or such other date as may be 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.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange, HKSCC and the SFC take no responsibility for the contents of the Prospectus Documents, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Prospectus Documents.

The securities described in this Prospectus have not been, and will not be, registered under the United States of America ("United States") Securities Act of 1933, as amended, (the "U.S. Securities Act") or the laws of any state in the United States, and may not be offered or sold within the United States, absent registration or an exemption from the registration requirements of the U.S. Securities Act and applicable state laws of the United States. The Company does not intend to register any portion of the Rights Issue or any securities described herein in the United States or to conduct a public offering of securities in the United States.

Distribution of this Prospectus into jurisdictions other than Hong Kong may be prohibited or restricted by law. Persons into whose possession this Prospectus comes should inform themselves of and observe any such prohibitions or restrictions. Neither the Prospectus Documents nor any copy thereof may be released into or distributed directly or indirectly in the United States or any other jurisdiction where such release or distribution might be unlawful, or distributed to any United States persons.

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the Rights Shares (in their nil-paid or fully-paid forms) or to take up any entitlements to the Rights Shares (in their nil-paid or fully-paid forms) in any jurisdiction in which such an offer or solicitation is unlawful. Neither this Prospectus nor anything in this Prospectus forms the basis of any contract or commitment whatsoever.

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

Underwriters of the Rights Issue
(in alphabetical order)



The latest time for acceptance of and payment for the nil-paid Rights Shares is 4:00 p.m. on Tuesday, 28 July 2015. The procedures for acceptance and payment or transfer of the nil-paid Rights Shares are set out on pages 21 and 22 of this Prospectus.

The Underwriting Agreement in respect of the Rights Issue contains provisions entitling the Underwriters by notice in writing to the Company to terminate the obligations of the Underwriters thereunder on the occurrence of certain events including force majeure. These events are set out in the section headed "Termination of the Underwriting Agreement" on pages 10 to 12 of this Prospectus.

Shareholders should note that the existing Shares have been dealt in on ex-rights basis from Friday, 3 July 2015. The Rights Shares in their nil-paid form will be dealt in from 9:00 a.m. on Thursday, 16 July 2015 to 4:00 p.m. on Thursday, 23 July 2015 (both dates inclusive). If prior to the Latest Time for Termination, the Underwriters terminate the Underwriting Agreement or if any of the other conditions of the Rights Issue as set out in the paragraph headed "Conditions of the Rights Issue" under the section headed "Letter from the Board" in this Prospectus are not fulfilled, the Rights Issue will not proceed. **If the Underwriters, acting jointly, terminate or rescind the Underwriting Agreement, the Rights Issue will not proceed.**

Any dealings in the Shares or Rights Shares in their nil-paid form up to the date on which all the conditions of the Rights Issue are fulfilled (which is expected to be at 5:00 p.m. on Friday, 31 July 2015), will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares or Rights Shares in their nil-paid form who is in any doubt about his/her/its position is recommended to consult his/her/its own professional adviser.

14 July 2015

NOTICE

If any of the conditions of the Rights Issue as set out in the paragraph headed “Conditions of the Rights Issue” in the “Letter from the Board” of this Prospectus is not fulfilled, the Rights Issue will not proceed, in which case a further announcement will be made by the Company at the relevant time. Shareholders should note that the existing Shares have been dealt in on an ex-rights basis from Friday, 3 July 2015. The Rights Shares in their nil-paid form will be dealt in from 9:00 a.m. on Thursday, 16 July 2015 to 4:00 p.m. on Thursday, 23 July 2015 (both days inclusive). Such dealings will take place when the conditions of the Rights Issue remain unfulfilled. Any person dealing in the securities of the Company up to the date on which all the conditions of the Rights Issue are fulfilled, which is currently expected to be 5:00 p.m. on Friday, 31 July 2015. Any person dealing in the Rights Shares in their nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares or the Rights Shares and/or the nil-paid Rights Shares, and if they are in any doubt about their position, they are recommended to consult their professional advisers.

EXCEPT AS OTHERWISE SET OUT HEREIN, THE RIGHTS ISSUE DESCRIBED IN THIS PROSPECTUS IS NOT BEING MADE TO SHAREHOLDERS, BENEFICIAL OWNERS OR INVESTORS WITH REGISTERED ADDRESSES IN, LOCATED OR RESIDED IN JURISDICTIONS OUTSIDE HONG KONG, UNLESS OFFER TO SUCH JURISDICTIONS COULD LAWFULLY BE MADE WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER LEGAL OR REGULATORY REQUIREMENTS OR THE OFFER IS MADE IN RELIANCE ON ANY EXEMPTION OR WHERE COMPLIANCE IS NOT UNDULY BURDENSOME.

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlement to the nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. None of the nil-paid Rights Shares, the fully-paid Rights Shares, this Prospectus, the PALs and the EAFs will be filed or registered under the securities laws of any of the jurisdictions other than in Hong Kong, and none of the nil-paid Rights Shares, the fully-paid Rights Shares, this Prospectus, the PALs and the EAFs will qualify for distribution under any of the relevant securities laws of any of the jurisdictions other than Hong Kong unless distribution to such jurisdictions could lawfully be made without compliance with any registration or other legal or regulatory requirements or the distribution is made in reliance on any exemption or where compliance is not unduly burdensome. Accordingly, the nil-paid Rights Shares and the fully-paid Rights Shares may not be offered, sold, pledged, taken up, resold, transferred or delivered, directly or indirectly, into or within any jurisdiction other than Hong Kong absent registration or qualification under the respective securities laws of such jurisdictions, or exemption from the registration or qualification requirements under applicable rules of such jurisdictions.

Shareholders with registered addresses in, and investors who are located or resided in, any of the jurisdictions other than Hong Kong or who hold Shares on behalf of persons with such addresses, and beneficial owners who are resident outside Hong Kong should refer to the paragraph headed “Rights of Non-Qualifying Shareholders” under the section headed “Letter from the Board” of this Prospectus.

NOTICE

Each person acquiring the nil-paid Rights Shares and/or Rights Shares under the Rights Issue will be required to confirm, or be deemed by his acquisition of the nil-paid Rights Shares and/or Rights Shares to confirm, that he is aware of the restrictions on offers and sales of the nil-paid Rights Shares and/or Rights Shares described in this Prospectus.

NOTICE TO OVERSEAS SHAREHOLDERS

Based on the legal advice of the Company's legal advisers in relation to the laws of the relevant overseas restrictions, the following notices are set out for the attention of the Overseas Shareholders in the following jurisdictions:

Notice to Shareholders in Singapore

The offer of the nil-paid Rights Shares and the fully paid Rights Shares by the Company is made only to and directed at, and the nil-paid Rights Shares and the fully paid Rights Shares are only available to, persons in Singapore who are existing holders of the Shares previously issued by the Company.

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the nil-paid Rights Shares and the fully paid Rights Shares may not be circulated or distributed, nor may the nil-paid Rights Shares and the fully paid Rights Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) existing holders of Shares pursuant to Section 273(1)(cd)(i) of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") or (ii) pursuant to, and in accordance with the conditions of, an exemption under Section 274 or Section 275 of the SFA or, where applicable, Section 276 of the SFA.

Notice to Shareholders in Ireland

This Prospectus, and the information contained herein, has been prepared and is intended for use in the Republic of Ireland solely by the Shareholders resident in the Republic of Ireland (the "**Irish Shareholders**") to whom it is sent by the Company. It may not be reproduced, redistributed or passed on to any other persons in the Republic of Ireland or published in whole or in any part in the Republic of Ireland for any other purpose. Rights Shares may not be offered, sold, pledged, taken up, exercised, resold, renounced, transferred or delivered directly or indirectly into the Republic of Ireland other than to (a) Irish Shareholders and (b) in circumstances which will not require the publication of a prospectus pursuant to the Irish Prospectus Regulations (as hereinafter defined).

Any offer of securities contained in or considered to arise in or by virtue of this Prospectus is addressed to fewer than 150 persons in the Republic of Ireland and accordingly there is no requirement to publish a prospectus pursuant to the Prospectus (Directive 2003/71/EC) Regulations, 2005 (as amended) (the "**Irish Prospectus Regulations**").

NOTICE

Therefore, this Prospectus has not been prepared in accordance with Directive 2003/71/EC (as amended), the Irish Prospectus Regulations or any measures made under such Directive or the laws of the Republic of Ireland. Furthermore, this Prospectus has not been reviewed by any regulatory authority in any EU Member State.

Notice to Shareholders in Australia

This Prospectus is not a disclosure document for the purposes of the Australian Corporations Act 2001. The Company may send this Prospectus to Australian Shareholders for information purposes only, however, no offer of Rights Shares is being made to Australian Shareholders, and Australian Shareholders are not entitled to participate in the Rights Issue.

Notice to Shareholders in Canada

This Prospectus and any other document or material issued in connection with the Rights Issue or the offer of the Rights Shares is not a prospectus as defined in the securities laws of the provinces of Canada (the “**Canadian Securities Laws**”). Accordingly, this Prospectus has not been and will not be filed as a prospectus with any securities commission or securities regulator authority in any province of Canada pursuant to the Canadian Securities Laws. The Rights Shares may not be offered or sold, directly or indirectly, to any Shareholder whose registered address is in Canada, except pursuant to an exemption from prospectus requirements available under the Canadian Securities Laws. The Company will not offer the Rights Shares to any Shareholder whose registered address is in Canada. This Prospectus and any other document or material in connection with the offer of the Rights Shares may not be circulated or distributed to any Shareholder whose registered address is in Canada, except for information purposes only.

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 25 June 2015 in relation to, among other things, the Rights Issue and the transactions contemplated thereunder;
“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, a public holiday in Hong Kong 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) and as amended from time to time;
“Company”	Vanke Property (Overseas) Limited, an exempted 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 (stock code: 01036);
“connected transaction”	has the meaning ascribed to it under the Listing Rules;
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules;

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“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 approximately 9.43% of the entire issued share capital of the Company, as at the Latest Practicable Date;
“Director(s)”	the director(s) of the Company;
“EAF(s)”	the excess application form(s) to be issued in connection with the Rights Issue;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“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 Undertaking(s)”	the irrevocable undertaking(s) 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 paragraph headed “Irrevocable Undertakings” under the section headed “Letter from the Board” in this Prospectus;
“Last Trading Day”	25 June 2015, the last trading day immediately prior to the publication of the Announcement;
“Latest Practicable Date”	8 July 2015, being the latest practicable date for the purpose of ascertaining certain information for inclusion in this Prospectus;
“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;

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“Latest Time for Termination”	5:00 p.m. on 31 July 2015 (the third Business Day following the Latest Time for Acceptance), being the latest time by which the Underwriters may jointly 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 of the Company 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 disclosed in the Announcement which if it does proceed, is expected to constitute a major and connected transaction of the Company under the Listing Rules;
“PAL(s)”	the provisional allotment letter(s) to be issued in connection with the Rights Issue;
“PRC”	the People’s Republic of China which for the purposes of this Prospectus shall not include Hong Kong, the Macau Special Administration Region and Taiwan;
“Prospectus”	this prospectus;

DEFINITIONS

“Prospectus Documents”	collectively, the Prospectus, PAL(s) and EAF(s);
“Prospectus Posting Date”	14 July 2015;
“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, 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 in this Prospectus;
“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 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;

DEFINITIONS

“take up” or “taken up”	in the context of the Rights Issue, such Rights Shares in respect of which the valid PALs and EAFs have been lodged and accompanied by cheques or other remittances for the full amount payable in respect thereof;
“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;
“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 US and the District of Columbia);
“US\$”	United States dollars, the lawful currency of the United States;
“Vanke HK”	Vanke Property (Hong Kong) Company Limited, a company incorporated in Hong Kong with limited liability, which holds 100% equity interest in Wkland Limited, which in turn holds 100% equity interest in Wkland Investments;
“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 Latest Practicable Date; and
“%”	percentage or per centum.

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.

Dates or deadlines specified in this Prospectus 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.

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 pm 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
Latest time for the Rights Issue 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 Prospectus refer to Hong Kong local times and dates. Dates or deadlines specified in this Prospectus are indicative only and may be varied by agreement between the Company and the Underwriters. Any consequential changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange, as appropriate.

EXPECTED TIMETABLE

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” in this Prospectus may be affected. The Company will notify the Shareholders by way of announcements on any change to the expected timetable as soon as practicable.

FORWARD-LOOKING STATEMENTS

All statements in this Prospectus other than statements of historical fact are forward-looking statements. In some cases, forward-looking statements may be identified by the use of words such as “might”, “may”, “could”, “would”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue”, “illustration”, “projection” or similar expressions and the negative thereof. Forward-looking statements in this Prospectus include, without limitation, statements in respect of the Group’s business strategies, product offerings, market position, competition, financial prospects, performance, liquidity and capital resources, as well as statements regarding trends in the relevant industries and markets in which the Group operates, technological advances, financial and economic developments, legal and regulatory changes and their interpretation and enforcement.

The forward-looking statements in this Prospectus are based on management’s present expectations about future events. Management’s present expectations reflect numerous assumptions regarding the Group’s strategy, operations, industry, developments in the credit and other financial markets and trading environment. By their nature, they are subject to known and unknown risks and uncertainties, which could cause actual results and future events to differ materially from those implied or expressed by forward-looking statements. Should one or more of these risks or uncertainties materialise, or should any assumptions underlying forward-looking statements prove to be incorrect, the Group’s actual results could differ materially from those expressed or implied by forward-looking statements. Additional risks not known to the Group or that the Group does not currently consider material could also cause the events and trends discussed in this Prospectus not to occur, and the estimates, illustrations and projections of financial performance not to be realised.

Prospective investors are cautioned that forward-looking statements speak only as at the Latest Practicable Date. Except as required by applicable law, the Group does not undertake, and expressly disclaims, any duty to revise any forward-looking statement in this Prospectus, be it as a result of new information, future events or otherwise.

SUMMARY OF THE RIGHTS ISSUE

The following information is derived from, and should be read in conjunction with, the full text of this Prospectus:

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 Latest Practicable Date	: 259,685,288 Shares
Subscription Price	: HK\$8.04 per Rights Share
Number of Rights Shares	: 129,842,644 Rights Shares
Number of Committed Shares	: 109,623,483 Rights Shares
Number of Rights Shares to be fully underwritten by the Underwriters	: 20,219,161 Rights Shares
Amount of funds to be raised (before expenses)	: Approximately HK\$1,044 million
Enlarged issued share capital of the Company upon completion of the Rights Issue	: 389,527,932 Shares

As at the Latest Practicable Date, 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 issued share capital of the Company from the Latest Practicable Date to completion of the Rights Issue, 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.

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 their obligations under the Irrevocable Undertakings in respect of (I) acceptance and payment for their 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) their 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

TERMINATION OF THE UNDERWRITING AGREEMENT

- (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) or the Cayman

TERMINATION OF THE UNDERWRITING AGREEMENT

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 three 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) or (b) 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) in respect of 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) that the Company shall pay the costs, fees and expenses under the Underwriting Agreement; and (iii) that such termination shall be without prejudice to the rights of the parties hereto 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 jointly exercise such right, the Rights Issue will not proceed and a further announcement will be made.

RISK FACTORS RELATING TO THE RIGHTS ISSUE

The market price of the Shares may fluctuate and may fall below the Subscription Price prior to the expiration of the subscription period

The Subscription Price for the Rights Shares represented a premium to the closing price of HK\$7.0 per Share as quoted on the Stock Exchange on the Latest Practicable Date. Although the market price of the Shares may rebound afterwards, there remains a risk that the market price of the Shares may fluctuate and may fall below the Subscription Price prior to the expiration of the subscription period as a result of, among other things, global economic or political conditions, market perception of the likelihood of completion of this offering, regulatory changes affecting the Company's operations and variations in the Company's financial results. Many of these factors are out of the Company's control. If any Shareholder or potential investor takes up or purchases the nil-paid Rights Shares and the market price of the Shares trades below the Subscription Price on the date the fully-paid Rights Shares are issued to him/her/it, then he/she/it will have purchased those Shares at a price higher than the market price. Any decrease in market prices may continue after the completion of the Rights Issue and, as a result, he/she/it may not be able to sell such Rights Shares at a price equal to or greater than the Subscription Price.

An active trading market for the nil-paid Rights Shares may not develop on the Stock Exchange or any over-the-counter trading market and, even if a market does develop, the trading price of the nil-paid Rights Shares may fluctuate

A trading period has been set for the nil-paid Rights Shares from 16 July 2015 to 23 July 2015. The Company cannot assure Shareholders and potential investors that an active trading market in the nil-paid Rights Shares on the Stock Exchange will develop during the applicable trading period for nil-paid Rights Shares or that any over-the-counter trading market in the nil-paid Rights Shares will develop. Even if an active market develops, the trading prices of the nil-paid Rights Shares may be volatile and subject to the same factors affecting the price of the Shares. See the paragraph headed "Warning of the Risks of Dealing in the Shares and Nil-Paid Rights Shares" in the section headed "Letter from the Board". The market prices of the Shares may fluctuate and may fall below the Subscription Price prior to the expiration of the subscription period.

The Subscription Price is not an indication of the Company's underlying value

The Subscription Price does not bear a direct relationship to past operations, cash flow, earnings, financial condition or any other established criteria for value and Shareholders and potential investors should not consider the Subscription Price to be any indication of the Company's underlying value.

The Potential Acquisition may 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.

RISK FACTORS RELATING TO THE RIGHTS ISSUE

Furthermore, there is no assurance that the Potential Acquisition will be completed. Even if the Potential Acquisition is completed, the Company may or may not be able to realize the anticipated benefits arising from the Potential Acquisition.

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

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)

Board of Directors:

Executive Directors:

Mr. ZHANG Xu
Ms. QUE Dong Wu

Non-Executive Director:

Mr. CHAN Chi Yu

Independent Non-executive Directors:

Mr. CHAN Wai Hei, William
Ms. LAW Chi Yin, Cynthia
Mr. SHIUM Soon Kong

Registered Office:

P.O. Box 309, Uglund House
Grand Cayman, KY1-1104
Cayman Islands

Principal Place of Business:

55th Floor, Bank of China Tower
1 Garden Road, Central
Hong Kong

14 July 2015

*To the Qualifying Shareholders, and for information purposes only,
the Non-Qualifying Shareholders*

Dear Sir or Madam,

**PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE RIGHTS SHARE FOR EVERY TWO SHARES HELD
ON THE RECORD DATE**

INTRODUCTION

Reference is made to the Announcement.

The Board announced on 25 June 2015 that the Company proposed to raise approximately HK\$1,044 million (before expenses) by way of the Rights Issue, pursuant to which 129,842,644 Rights Shares will be issued at the Subscription Price of HK\$8.04 per Rights Share. The Company will provisionally allot one nil-paid Rights Share for every two existing Shares held by the Qualifying Shareholders as at the close of business on the Record Date. Qualifying Shareholders are entitled to apply for additional Rights Shares in excess of their respective entitlements under the Rights Issue. The Rights Issue will not be available to the Non-Qualifying Shareholders.

LETTER FROM THE BOARD

The Rights Issue is subject to, among other things, the Underwriting Agreement becoming unconditional and not being terminated on the occurrence of certain events including force majeure.

The purpose of this Prospectus is to provide you with further information regarding the Rights Issue, including information on dealings in, transfer of and application for the Rights Shares, and financial information and other information of the Group.

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 Latest Practicable Date	:	259,685,288 Shares
Subscription Price	:	HK\$8.04 per Rights Share
Number of Rights Shares	:	129,842,644 Rights Shares
Number of Committed Shares	:	109,623,483 Rights Shares
Number of Rights Shares to be fully underwritten by the Underwriters	:	20,219,161 Rights Shares
Amount of funds to be raised (before expenses)	:	Approximately HK\$1,044 million
Enlarged issued share capital of the Company upon completion of the Rights Issue	:	389,527,932 Shares

As at the Latest Practicable Date, 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 issued share capital of the Company from the Latest Practicable Date to completion of the Rights Issue, 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.

LETTER FROM THE BOARD

Subscription Price

The Subscription Price is HK\$8.04 per Rights Share, payable in cash in full when a Qualifying Shareholder accepts his/her/its provisional allotment under the Rights Issue or, where applicable, upon application for excess Rights Shares or when a renouncee 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 approximately HK\$9.88 per Share for the last five consecutive trading days preceding up to and including the Last Trading Day;
- (iii) a discount of approximately 14.19% to the theoretical ex-rights price of approximately 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; and
- (iv) a premium of approximately 34.45% to the consolidated net asset value of approximately HK\$5.98 per Share as at 31 December 2014, being the date to which the latest published audited consolidated financial statements of the Company were approved and authorised for issue by the Board. The calculation of consolidated net asset value per share as at 31 December 2014 is based on the net assets of the Group as at 31 December 2014 of HK\$1,552,423,000 and 259,685,288 Shares in issue as at 31 December 2014.

Based on the Subscription Price of HK\$8.04 and assuming no change in the issued share capital of the Company from the Latest Practicable Date to completion of the Rights Issue, 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 will 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 paragraph 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.

LETTER FROM THE BOARD

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.

LETTER FROM THE BOARD

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 (the “**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.

Qualifying Shareholders

The Company has sent the Prospectus Documents to the Qualifying Shareholders and to the Non-Qualifying Shareholders (to the extent reasonably practicable and legally permitted) for their information only. Neither PALs or EAFs have been or will be sent to Non-Qualifying Shareholders.

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 have been 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.

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. Even if a Shareholder elects to sell his/her/its nil-paid Rights Shares prior to the expiration of the applicable trading period, or such nil-paid Rights Shares

LETTER FROM THE BOARD

are sold on his/her/its behalf, the consideration he/she/it receives may not be sufficient to compensate him/her/it fully for such dilution of his/her/its investment and proportionate ownership interest in the Company.

Rights of Non-Qualifying Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

The Company have sent the Prospectus only (without PAL and EAF) to the Non-Qualifying Shareholders (to the extent reasonably practicable and legally permitted) for their information. According to the register of members of the Company, as at the Record Date, there were six Overseas Shareholders in total with registered addresses in four jurisdictions outside Hong Kong as shown on such register, namely, Australia, Canada, Singapore and Ireland.

The Company has complied with all necessary requirements specified in Rule 13.36(2)(a) of the Listing Rules and has made enquiry with its legal advisers regarding the feasibility of extending the Rights Issue to the Overseas Shareholders under the laws of the relevant places and the requirements of the relevant regulatory body or stock exchange.

In respect of the Shareholders in Australia and Canada, since registration or filing or other procedures or formalities, subject to certain exceptions, would need to be carried out in relation to the Rights Issue so as to comply with the relevant securities legislation or regulation in Australia and Canada (as the case may be), the Company is of the view that the exclusion of the Shareholders in such countries from the Rights Issue is necessary and expedient. Therefore the Rights Shares will not be granted to the Non-Qualifying Shareholders with registered addresses in Australia and Canada and this Prospectus has been sent to the Shareholders with registered addresses there for information only.

For the avoidance of doubt, all other Overseas Shareholders other than those with registered addresses in Australia and Canada will still be entitled to receive the PALs. Accordingly, other than the Shareholder(s) with registered addresses in Australia and Canada, there are no Overseas Shareholders being prohibited from the Rights Issue.

It is the responsibility of the Shareholders (including the Overseas Shareholders) to observe the domestic legal and regulatory requirements applicable to them for taking up and onward sale (if applicable) of the Rights Shares. Arrangement will be made for Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold on 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 expenses) can be obtained. The 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 entitlement of Non-Qualifying Shareholders, together with any Rights Shares provisionally allotted but not accepted, will be available for excess application under the EAFs by Qualifying Shareholders.

LETTER FROM THE BOARD

Procedures for acceptance and payment or transfer

A PAL is enclosed with this Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown thereon. If the Qualifying Shareholders wish to exercise their right to subscribe for all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar, by not later than 4:00 p.m. on Tuesday, 28 July 2015. All remittances must be made in Hong Kong dollars and cheques must be drawn on a bank account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "VANKE PROPERTY (OVERSEAS) LIMITED — RIGHTS ISSUE ACCOUNT" and crossed "Account Payee Only". Any payment for the Rights Shares should be rounded down to 2 decimal points.

It should be noted that unless the PAL, together with the appropriate remittance, has been lodged with the Registrar by 4:00 p.m. on Tuesday, 28 July 2015, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. The Company may (at its sole discretion but without obligation) treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions in the PAL. The Company may require such incomplete PAL to be completed by the relevant applicants on or before the Latest Time for Acceptance.

The Company reserves the right to refuse to act on any acceptance of provisional allotments of Rights Shares and to refuse to accept any application for excess Rights Shares where it believes that in doing so would or may violate the applicable securities legislations or other laws or regulations of any jurisdiction.

If the Qualifying Shareholders wish to accept only part of their provisional allotment or transfer a part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or to transfer all of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL to more than one person, the entire and original PAL must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Monday, 20 July 2015 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required.

Completion and lodgement of a PAL together with a cheque or cashier's order in payment for the Rights Shares applied for will constitute a warranty by the applicant that the cheque or cashier's order will be honoured on the first presentation. All cheques and cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation is liable to be rejected, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

LETTER FROM THE BOARD

If the Underwriters exercise the right to terminate their obligations under the Underwriting Agreement before the Latest Time for Termination, the monies received in respect of the relevant provisional allotments and excess applications will be returned to the relevant persons without interest, by means of cheques despatched by ordinary post to their registered addresses at the risk of such applicants on or around Wednesday, 5 August 2015.

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 advisers 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

LETTER FROM THE BOARD

- (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 paragraph headed “Conditions of the Underwriting Agreement” in this letter.

Irrevocable Undertakings

As at the Latest Practicable Date, Wkland Investments (an indirect wholly-owned subsidiary of China Vanke and the controlling shareholder of the Company) was 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) was 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 the Latest Practicable Date, 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.

LETTER FROM THE BOARD

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 Rights Shares Such Rights Shares will be underwritten by CITIC CLSA as to 10,109,580 Shares and Credit Suisse as to 10,109,581 Shares
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 authorised 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

LETTER FROM THE BOARD

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 portion 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

LETTER FROM THE BOARD

- (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 if permitted, 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 others, save as otherwise provided under the Underwriting Agreement such as costs and expenses incidental to the Rights Issue.

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 depositary in connection with the issue of depositary 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).

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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 paragraph 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 Prospectus). Accordingly, the Rights Issue may or may not proceed.

Any persons dealing in the Shares 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 to the extent permitted, 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, you are advised to consult your professional advisers.

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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 Latest Practicable Date and up to the date of completion of the Rights Issue):

	As at the		Shareholding immediately after completion of the Rights Issue (Note 1)			
	Latest Practicable Date		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	%
<i>Shareholders</i>						
China Vanke (Note 2)	<u>194,763,966</u>	<u>75.00</u>	<u>292,145,949</u>	<u>75.00</u>	<u>292,145,949</u>	<u>75.00</u>
<i>Public Shareholders</i>						
CSICM and/or subscriber(s) procured by it (Note 3)	24,483,000	9.43	36,724,500	9.43	36,724,500	9.43
CITIC CLSA and/or its sub-underwriter (Note 4)	—	—	10,109,580	2.60	—	—
Credit Suisse and/or its sub-underwriter (Note 4)	—	—	10,109,581	2.60	—	—
Other existing Shareholders	<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>
Sub-Total of Public Shareholders	<u>64,921,322</u>	<u>25.00</u>	<u>97,381,983</u>	<u>25.00</u>	<u>97,381,983</u>	<u>25.00</u>
Total:	<u><u>259,685,288</u></u>	<u><u>100.00</u></u>	<u><u>389,527,932</u></u>	<u><u>100.00</u></u>	<u><u>389,527,932</u></u>	<u><u>100.00</u></u>

Notes:

1. 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.
2. 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 HK. Vanke HK 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.

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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. CITIC CLSA is an indirect wholly-owned subsidiary of CITIC Securities International Company Limited, which in turn is a direct wholly-owned subsidiary of CITIC Securities Company Limited.

CITIC CLSA has fully sub-underwritten its underwriting commitment pursuant to an agreement with its sub-underwriter, which is an independent third party to the Company and its connected persons (as defined under the Listing Rules) to the best of the Directors' knowledge, information and belief. Accordingly, CITIC Securities Company Limited should not become a substantial shareholder of the Company under the Listing Rules.

4. Pursuant to the Underwriters' several obligations under the Underwriting Agreement. See also Note 3 above on CITIC CLSA's sub-underwriting arrangements.

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, CITIC CLSA has fully sub-underwritten its underwriting commitment pursuant to an agreement with its sub-underwriter as stated in Note 3 above. Accordingly, the Company's public shareholding should remain at or above 25% at all times as required under the Listing Rules. Further announcement(s) will be made by the Company in accordance with the Listing Rules following the completion of the Rights Issue.

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 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 site area for the property is approximately 9,000 square feet. The latest plan is to develop the site into a composite building with domestic gross floor area of approximately 52,700 square feet and

LETTER FROM THE BOARD

non-domestic gross floor area of approximately 11,500 square feet. The terms, including the consideration, of the Potential Acquisition have yet to be negotiated and agreed by the Board. As at the Latest Practicable Date, the Company has not reached any definitive agreement or understanding 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.

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 as referred to on page I-1 of this Prospectus and the balance of approximately HK\$709 million for future property acquisition opportunities.

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 Latest Practicable Date.

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.

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

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Prospectus.

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

1. FINANCIAL SUMMARY OF THE GROUP

The published audited consolidated financial statements of the Group for the years ended 31 December 2012, 2013 and 2014 are disclosed in the annual reports of the Company for the years ended 31 December 2012 (pages 35-99), 2013 (pages 27-77) and 2014 (pages 29-73). They can be accessed on the website of the Company (<http://www.vankeoverseas.com>) and the website of the Stock Exchange (<http://www.hkexnews.hk>).

2. INDEBTEDNESS

Statement of indebtedness

As at 31 May 2015, being the latest practicable date for the purpose of preparing this indebtedness statement prior to printing of this Prospectus, the Group had total bank borrowings (excluding other borrowing costs capitalised) of HK\$323,000,000. The bank borrowings are secured by the Group's property interest in Regent Centre, the Group's investment properties, and repayable in full by December 2015 (the "**Regent Centre Loan Facilities**").

Contingent liabilities

As at 31 May 2015, being the latest practicable date for the purpose of preparing this indebtedness statement prior to printing of this Prospectus, the Company was contingently liable for an aggregate sum of HK\$1,543,000,000 comprising:

- (a) a guarantee in respect of the Regent Centre Loan Facilities granted by a financial institution to a wholly-owned subsidiary of the Company to the extent of HK\$583,000,000, of which HK\$323,000,000 was utilized as at 31 May 2015; and
- (b) a guarantee in respect of the committed term loan facilities granted by a syndicate of financial institutions to Ultimate Vantage Limited ("**UVL**"), a 20% associate of the Company, of up to HK\$4,800,000,000 for financing the development of the TW6 Project (the "**TW6 Loan Facilities**"), of which approximately HK\$1,822,000,000 was utilized as at 31 May 2015. The Company and the joint venture partner in the TW6 Project were required to provide corporate guarantees, on a several basis and in proportion to their respective shareholding interests in UVL, in respect of UVL's obligations under the TW6 Loan Facilities. The Company has, accordingly, been guaranteeing, among others, the repayment of the principal portion of the TW6 Loan Facilities up to HK\$960,000,000.

Save as aforesaid or as otherwise disclosed herein and apart from intra-group liabilities, at the close of business on 31 May 2015, the Group did not have any outstanding debt securities and loan capital issued and outstanding or agreed or to be issued, bank overdrafts, loans or other similar indebtedness (whether guaranteed, unguaranteed, secured or unsecured), mortgages, charges or debentures, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

In the absence of unforeseen circumstances and after taking into account the financial resources expected to be available to the Group, including internally generated funds, banking facilities from refinancing the Regent Centre Loan Facilities which the Company does not foresee material difficulties in obtaining based on its past ability to obtain external financing and relationships with a number of financial institutions, and the estimated net proceeds from the Rights Issue, the Directors are of the opinion that the Group would have sufficient working capital for its current requirements for at least next twelve months from the date of this Prospectus.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse changes in the financial or trading position of the Group since 31 December 2014, being the date to which the latest published audited consolidated financial statements of the Company were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is currently engaged in property investment activities through leasing its property interests in Regent Centre to earn rental and management fee income, and to gain from the appreciation in the property values of Regent Centre in the long term and in property development activities through its participation in the development of the TW6 Project. As mentioned in the section headed “Letter from the Board” in this Prospectus, China Vanke has indicated 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**”). While the terms, including the consideration, of the Potential Acquisition are yet to be negotiated and agreed, having considered other fund raising alternatives for the Group, such as placing new Shares or debt financing, the Board considers the Rights Issue is in the interests of the Company and its Shareholders as a whole, and will also enable the Company to raise funds for the Potential Acquisition. The Board is also of the view that the Rights Issue will enlarge the capital base of the Company and provide an equal opportunity for all Qualifying Shareholders to participate in the growth of the Company.

Should the Potential Acquisition materialize on such terms which are approved by the Board and the Independent Shareholders, the Group’s financial prospects will be enhanced by a stronger capital base after completion of the Rights Issue whereas the Group’s trading prospects will be enhanced by the addition of a property located in the Wan Chai district of Hong Kong, with the balance of net proceeds, if any, to be applied for financing other property acquisition opportunities available to the Group from time to time.

Should the Potential Acquisition not proceed for whatever reason, the net proceeds from the Rights Issue will be applied for repayment of the Group’s existing indebtedness, with the balance to be applied for financing future property acquisition opportunities available to the Group from time to time. In such case, the Group’s financial prospects will be enhanced by a stronger capital base and a lower gearing ratio which would place the Group in a stronger position for any property acquisition opportunities.

A. UNAUDITED PRO FORMA OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The unaudited pro forma of adjusted consolidated net tangible assets of the Group (the “**Unaudited Pro Forma Financial Information**”) has been prepared by the Directors in accordance with paragraph 4.29 of the Listing Rules to illustrate the effect of the proposed Rights Issue on the basis of one Rights Share for every two existing Shares held on the Record Date at HK\$8.04 per Rights Share on the consolidated net tangible assets of the Group attributable to the owners of the Company as if the Rights Issue had taken place on 31 December 2014.

The Unaudited Pro Forma Financial Information is prepared for illustrative purposes only, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company immediately had the Right Issue been completed as at 31 December 2014 or at any future date after completion of the Rights Issue.

The Unaudited Pro Forma Financial Information is prepared based on the consolidated net tangible assets of the Group attributable to owners of the Company derived from the consolidated statement of financial position of the Group as at 31 December 2014 as extracted from the annual report of the Company for the year ended 31 December 2014, after incorporating the adjustments described in the accompanying notes.

	Consolidated net tangible assets of the Group as at 31 December 2014 ⁽¹⁾ <i>HK\$'000</i>	Estimated net proceeds from the Rights Issue ⁽²⁾ <i>HK\$'000</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group after completion of the Rights Issue <i>HK\$'000</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group after completion of the Rights Issue per Share ⁽³⁾ <i>HK\$</i>
Issue of Rights Share Based on 129,842,644 Rights Shares to be issued at the Subscription Price of HK\$8.04 per Rights Share	1,552,423	1,031,735	2,584,158	6.63

Notes:

1. The consolidated net tangible assets of the Group as at 31 December 2014 are based on the consolidated net assets of the Group as at 31 December 2014 of HK\$1,552,423,000, as extracted from the published annual report of the Company for the year ended 31 December 2014.
2. The estimated net proceeds from the Rights Issue are based on 129,842,644 Rights Shares to be issued (in the proportion of one Rights Share for every two existing Shares held on the Record Date) at the Subscription Price of HK\$8.04 per Rights Share and after deduction of the estimated related expenses of approximately HK\$12,200,000.
3. The unaudited pro forma adjusted consolidated net tangible assets per Share is arrived at after aggregating the audited consolidated net tangible assets of the Group of HK\$1,552,423,000 as at 31 December 2014 and the estimated net proceeds of HK\$1,031,735,000 from the Rights Issue and on the basis of 389,527,932 Shares which comprise 259,685,288 Shares in issue as at 31 December 2014 and 129,842,644 Rights Shares to be issued under the Rights Issue as if the Rights Issue had been completed on 31 December 2014.
4. Other than those mentioned above, no adjustments have been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2014.

B. ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from the reporting accountants of the Company, KPMG, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma financial information of the Group for the purpose in this Prospectus.



8th Floor
Prince's Building
10 Chater Road
Central
Hong Kong

14 July 2015

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF PRO FORMA FINANCIAL INFORMATION****TO THE DIRECTORS OF VANKE PROPERTY (OVERSEAS) LIMITED**

We have completed our assurance engagement to report on the compilation of pro forma financial information of Vanke Property (Overseas) Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma of adjusted consolidated net tangible assets as at 31 December 2014 and related notes as set out in Part A of Appendix II to the prospectus dated 14 July 2015 (the "Prospectus") issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described in Part A of Appendix II to the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed rights issue of rights shares at a subscription price of HK\$8.04 each on the basis of one rights share for every two existing shares of the Company held on the record date (the "Rights Issue") on the Group's financial position as if the Rights Issue had taken place at 31 December 2014. As part of this process, information about the Group's financial position as at 31 December 2014 has been extracted by the Directors from the consolidated financial statements of the Company for the year then ended, on which an audit report has been published.

Directors' Responsibilities for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (“HKSAE”) 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules, and with reference to AG 7 issued by the HKICPA.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment prospectus is solely to illustrate the impact of a significant event or transaction on the unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions at 31 December 2014 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We make no comments regarding the reasonableness of the amount of net proceeds from the issuance of the Company's shares, the application of those net proceeds, or whether such use will actually take place as described in the paragraph headed "Reasons for the Rights Issue and Use of Proceeds of the Rights Issue" as set out in the "Letter from the Board" in this Prospectus.

Opinion

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group, and
- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

KPMG

Certified Public Accountants

Hong Kong

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL

The issued share capital of the Company as at the Latest Practicable Date and immediately following completion of the Rights Issue assuming no change in the issued share capital of the Company between the Latest Practicable Date and the completion of the Rights Issue is as follows:

Ordinary shares of HK\$0.01 each

Number of Shares	Amount HK\$
<i>Authorised:</i>	
<u>750,000,000</u> As at the Latest Practicable Date	<u>7,500,000</u>
<i>Issued and fully paid:</i>	
259,685,288 As at the Latest Practicable Date	2,596,852.88
<u>129,842,644</u> Maximum number of Rights Shares to be issued pursuant to the Rights Issue	<u>1,298,426.44</u>
<u>389,527,932</u> Immediately after completion of the Rights Issue assuming no change in the issued share capital of the Company between the Latest Practicable Date and the completion of the Rights Issue	<u>3,895,279.32</u>

All the existing issued Shares rank pari passu with each other in all respects including the rights as to voting, dividends and return of capital. The Rights Shares to be allotted and issued will, when issued and fully paid, rank pari passu in all respects with the existing Shares in issue on the date of allotment of the Rights Shares in fully paid form.

The number of Shares in issue as at the Latest Practicable Date was the same as that as at the end of the last financial year of the Company, being 31 December 2014. There had been no alternation to the issued share capital of the Company since the end of the last financial year of the Company, being 31 December 2014, to the Latest Practicable Date.

There are no arrangements under which future dividends are waived or agreed to be waived. As at the Latest Practicable Date, there are no outstanding convertible securities options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

No Share or loan capital of the Company or any member of the Group has been put under option or agreed conditionally or unconditionally to be put under option.

3. DISCLOSURE OF INTERESTS

(a) Interests and/or short positions of the Directors and chief executives

As at the Latest Practicable Date, the Directors and the chief executive of the Company had the following interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Director or, chief executive of the Company was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange:

(i) Interests in an associated corporation, China Vanke

Name of Director	Type of shares	Number of ordinary shares held				Other interests	Number of underlying shares held under equity derivatives (Note 1)	Total interests	Percentage of issued share capital (Note 2)
		Interests held as beneficial owner	Interests held by spouse	Interests held by controlled corporations					
Zhang Xu	A shares	679,039	—	—	—	225,000	904,039	0.009%	
Que Dong Wu	A shares	1,350,700	—	—	—	—	1,350,700	0.014%	
Chan Chi Yu	A shares	1,130,000	—	—	—	—	1,130,000	0.012%	
	H shares	—	—	500,203	—	—	500,203	0.038%	

Notes:

- These represented interests in share options granted by China Vanke to its directors and employees as beneficial owners, details of which are set out in the sub-section headed (ii) "Underlying shares in China Vanke".
- The total number of ordinary A shares of China Vanke in issue as at the Latest Practicable Date was 9,733,157,632, and the total number of ordinary H shares of China Vanke in issue as at the Latest Practicable Date was 1,314,955,468. The percentage of issued share capital shown above is calculated based on the number of issued shares in the relevant class alone, without taking into account the issued share capital of the other classes.

(ii) *Underlying shares in China Vanke*

Name of Director	Exercise Period	Exercise Price RMB	Number of entitled shares as at the Latest Practicable Date
Zhang Xu	19 September 2014 to 24 April 2016	8.07	225,000

All the interests in the shares disclosed under this section represent long position in the shares of the Company or its associated corporations. Save as disclosed herein, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be recorded in the register kept by the Company under section 352 of the SFO or which was required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”).

(b) Interests and/or short positions of substantial shareholders

As at the Latest Practicable Date, so far as is known to any of the Directors, the following person (other than a person who is a Director or chief executive of the Company) had interests or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group, or which was recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholder	Long position/ short position	Capacity of interest	Total number of shares in which the shareholder is interested	Percentage of shareholding
China Vanke (<i>Note 1</i>)	Long position	Held by controlled corporations	194,763,966	75.0%
CITIC Securities Company Limited (<i>Note 2</i>)	Long position	Held by controlled corporations	46,834,080	12.02%

Notes:

1. As recorded in the Company's register to be kept in accordance with section 336 of the SFO (the "Register"), the 194,763,966 Shares are held by China Vanke through Wkland Investments, which is an indirect wholly-owned subsidiary of China Vanke. Wkland Investments is a direct wholly-owned subsidiary of Wkland Limited. Wkland Limited is a direct wholly-owned subsidiary of Vanke HK. Vanke HK 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.
2. As recorded in the Register, CITIC Securities Company Limited is deemed to be interested in 46,834,080 Shares under the SFO, which comprises 24,483,000 existing Shares held by CSICM, 12,241,500 Rights Shares (representing CSICM's entitlement under the Rights Issue) and 10,109,580 Rights Shares to be underwritten by CITIC CLSA. CSICM 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. CITIC CLSA is an indirect wholly-owned subsidiary of CITIC Securities Company Limited.

As at the Latest Practicable Date, so far as is known to any of the Directors, the Company had not been notified of any other person (other than the Directors or chief executive of the Company) who had an interest or a short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group, or which was recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which was not determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. LITIGATION

As at the Latest Practicable Date, no member of the Group is engaged in any litigation, arbitration or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

6. BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Group together with their functions and relevant management expertise are set out below.

Executive Directors

Mr. Zhang Xu, aged 52, was appointed Executive Director of the Company in July 2012. He is also a member of the Nomination Committee of the Company. Mr. Zhang joined China Vanke, a substantial shareholder of the Company within the meaning of Part

XV of the SFO, in November 2002. He is currently an Executive Vice President and the Chief Operating Officer of China Vanke. Mr. Zhang has approximately 20 years of experience in real estate business. He obtained a bachelor's degree in Industrial and Civil Construction from Hefei University of Technology in the PRC in August 1984 and a part-time Professional Master of Business Administration from the Troy State University, United States in June 2001.

Ms. Que Dong Wu, aged 48, was appointed Executive Director of the Company in July 2012. She is also a member of the Remuneration Committee of the Company. Ms. Que joined China Vanke, a substantial shareholder of the Company within the meaning of Part XV of the SFO, in May 1993 and is currently a Vice President of China Vanke and the Managing Director of the Hong Kong Division of China Vanke responsible for China Vanke's operation in Hong Kong. She is also the Managing Director of Vanke HK, an intermediate holding company of the Company. Ms. Que has over 15 years of experience in corporate finance and real estate investment. She graduated from Fudan University, PRC in July 1999 with a Master of Economics.

Non-Executive Director

Mr. Chan Chi Yu, aged 60, was appointed Non-Executive Director of the Company in July 2012. He is also a member of the Audit Committee of the Company. Mr. Chan was a director of China Vanke, a substantial shareholder of the Company within the meaning of the Part XV of the SFO, from May 1997 to April 2008 and has become a consultant of China Vanke since April 2008. Mr. Chan has received various training in accounting, business administration, corporate governance and security brokerage. He is also an independent non-executive director of eprint Group Limited (stock code: 01884). He is a fellow member of The Hong Kong Institute of Directors, a full member of The Hong Kong Management Association and also an affiliated member of The Association of International Accountants. Mr. Chan will retire by rotation as an independent non-executive director of eprint Group Limited at its annual general meeting scheduled to be held on 3 August 2015 and has not offered himself for re-election due to increased commitment on his own business.

Independent Non-executive Directors

Mr. Chan Wai Hei, William, aged 57, was appointed Independent Non-Executive Director of the Company in September 2012. He is also the Chairman of the Audit Committee and a member of the Remuneration Committee of the Company. Mr. Chan has over 30 years of experience in accounting and finance. He has been working for Messrs. Li, Tang, Chen & Co., Certified Public Accountants (Practicing) since June 1980 and has been admitted as a partner from April 1989. Mr. Chan graduated from Hong Kong Shue Yan College (currently known as Hong Kong Shue Yan University) in July 1980 with a Diploma in Accounting. Mr. Chan was the President of The Hong Kong Institute of Accredited Accounting Technicians Limited (which is a wholly-owned subsidiary of the Hong Kong Institute of Certified Public Accountants) from 1992 to 1995. Mr. Chan is currently a fellow member of the Hong Kong Institute of Certified Public Accountants, an associate member of The Institute of Chartered Accountants in England and Wales, a member of The Society of Chinese Accountants and Auditors of Hong Kong, a fellow

member of The Association of Chartered Certified Accountants, a fellow member of The Taxation Institute of Hong Kong and a fellow member of The Hong Kong Institute of Directors.

Ms. Law Chi Yin, Cynthia, aged 49, was appointed Independent Non-Executive Director of the Company in May 2015. She is also the Chairman of the Nomination Committee and a member of the Audit Committee of the Company. Ms. Law has over 27 years of experience in banking and finance. Ms. Law joined The Hongkong and Shanghai Banking Corporation Limited (“HSBC”) in 1987 and worked there until her recent retirement as the Managing Director and Deputy Head of Global Banking of HSBC, China in August 2014. Ms. Law is a veteran banker possessing banking, capital markets and management experience across HSBC’s key global businesses including retail banking and wealth management, commercial banking, global trade and receivable finance and had, since 1996, been specialized in global banking and markets in Mainland China. She is currently an adviser to JL Capital Pte. Ltd., a fund management company licensed by the Monetary Authority of Singapore, in relation to their China related investments. Ms. Law graduated from the University of Toronto with a double major degree in Computer Science for Data Management and Commerce. She is a chartered financial analyst.

Mr. Shium Soon Kong, aged 61, was appointed Independent Non-Executive Director of the Company in September 2012. He is also the Chairman of the Remuneration Committee and a member of the Nomination Committee of the Company. Mr. Shium has over 30 years of experience in real estate investment and operations. Mr. Shium started his career with Singapore’s public housing authority, the Housing and Development Board. He was a Principal Officer in its Estates & Lands Division when he left in 1995. In the same year, he joined Pidemco Land Limited (the predecessor of CapitaLand Limited) as Vice President until early 1999. He subsequently joined Xin Rou Properties Pte. Ltd., a Singapore real estate company, as the director for its real estate investment portfolio from 1999 to 2001. Mr. Shium was the Senior Vice President in GIC Real Estate Pte. Ltd. from 2001 to 2008; and was the President of Ping An Real Estate Co., Ltd. from January 2009 till early 2012. Currently, he is a director of Thong Ching Pte. Ltd., an investment company in Singapore, and the director for business development in Raffles Medical Group, an integrated medical and healthcare company registered in Singapore and listed on the Singapore Exchange Securities Trading Limited. Mr. Shium obtained a Bachelor of Science Honours Degree in Estate Management from The University of Singapore (the predecessor of National University of Singapore) in May 1979 and a Master of Science Degree in Urban Land Appraisal from University of Reading in the United Kingdom in December 1982.

Chief Financial Officer and Company Secretary

Mr. Luk Chi Chung, Peter, aged 50, is the Chief Financial Officer and the Company Secretary of the Company, responsible for the finance and company secretarial matters as well as the rental operation of the Group. Mr. Luk joined the Company as the Chief Financial Officer in June 2008, left in July 2012 and rejoined as the Chief Financial Officer of the Company in November 2012. He was further appointed Company Secretary of the Company in December 2013. He has over 25 years of experience in the accounting

field. He obtained a Bachelor Degree in Science from The University of Hong Kong in November 1986 and a Master's Degree in Business Administration from the Australian Graduate School of Management in June 2001. Mr. Luk is a fellow member of the Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants, The Taxation Institute of Hong Kong, The Hong Kong Institute of Chartered Secretaries, The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Directors.

Positions and addresses of the Directors and the senior manager

Name	Position	Business Address
Mr. Zhang Xu	Executive Director	55th Floor, Bank of China Tower 1 Garden Road Central Hong Kong
Ms. Que Dong Wu	Executive Director	55th Floor, Bank of China Tower 1 Garden Road Central Hong Kong
Mr. Chan Chi Yu	Non-Executive Director	55th Floor, Bank of China Tower 1 Garden Road Central Hong Kong
Mr. Chan Wai Hei, William	Independent Non-Executive Director	55th Floor, Bank of China Tower 1 Garden Road Central Hong Kong
Ms. Law Chi Yin, Cynthia	Independent Non-Executive Director	55th Floor, Bank of China Tower 1 Garden Road Central Hong Kong
Mr. Shium Soon Kong	Independent Non-Executive Director	55th Floor, Bank of China Tower 1 Garden Road Central Hong Kong

Name	Position	Business Address
Mr. Luk Chi Chung, Peter	Chief Financial Officer and Company Secretary	55th Floor, Bank of China Tower 1 Garden Road Central Hong Kong

7. CORPORATE INFORMATION

Registered office	P.O. Box 309, Uglan House Grand Cayman KY1-1104 Cayman Islands
Principal place of business	55th Floor, Bank of China Tower 1 Garden Road Central Hong Kong
Company secretary	Mr. Luk Chi Chung, Peter
Authorised representatives	Ms. Que Dong Wu Mr. Luk Chi Chung, Peter
Principal banker	Bank of China (Hong Kong) Limited 14th Floor, Bank of China Tower 1 Garden Road Central, Hong Kong

8. PARTIES INVOLVED IN THE RIGHTS ISSUE

Underwriters	Credit Suisse (Hong Kong) Limited Level 88, International Commerce Centre 1 Austin Road West Kowloon, Hong Kong CLSA Limited 18th Floor, One Pacific Place 88 Queensway, Admiralty, Hong Kong
Legal advisers to the Underwriters	<i>As to Hong Kong law:</i> Mayer Brown JSM 16th–19th Floors, Prince's Building 10 Chater Road Central, Hong Kong

Legal advisers to the Company	<i>As to Hong Kong and US law:</i> Reed Smith Richards Butler 20th Floor, Alexandra House 18 Chater Road Central, Hong Kong <i>As to Cayman Islands law:</i> Maples and Calder 53rd Floor, The Center 99 Queen's Road Central Hong Kong
Reporting accountants	KPMG 8th Floor, Prince's Building 10 Chater Road Central, Hong Kong
Hong Kong branch share registrar and transfer office	Computershare Hong Kong Investor Services Limited Shops 1712–1716, 17th Floor, Hopewell Centre 183 Queen's Road East Wan Chai, Hong Kong

9. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group within two years immediately preceding the Latest Practicable Date which are or may be material:

- (a) the Underwriting Agreement;
- (b) the Irrevocable Undertakings;
- (c) a service sharing agreement dated 19 July 2013 between the Company and Vanke HK regarding the sharing of administrative services on a cost basis for a period of three years commencing from 1 January 2013, which agreement is terminable by either party's one month notice;
- (d) a supplemental deed to the development agreement dated 14 August 2013 entered into between the Company, Wkdeveloper Limited, Mainland Investments Group Limited, UVL, New World Development Company Limited ("NWD"), Vanke HK and Tsuen Wan West TW6 Property Development Limited ("TW6 Limited"), regarding contractual arrangements for the TW6 Project after the transfer of 20% effective interest in UVL from Vanke HK to the Group;
- (e) a deed of guarantee and indemnity dated 14 August 2013 executed by the Company in favour of TW6 Limited, regarding the Company's obligations under the TW6 Project;

- (f) a deed of guarantee and indemnity dated 14 August 2013 executed by UVL, NWD and the Company in favour of MTR Corporation Limited (“MTRCL”), regarding, among other things, the Company’s obligations under the TW6 Project;
- (g) a deed of undertaking dated 14 August 2013 executed by UVL, NWD and the Company in favour of MTRCL, regarding, among other things, the Company’s obligations under the TW6 Project;
- (h) a deed of undertaking dated 14 August 2013 executed by UVL, NWD and the Company in favour of Kowloon-Canton Railway Corporation, regarding, among other things, the Company’s obligations under the TW6 Project;
- (i) a deed of undertaking dated 14 August 2013 executed by UVL, NWD and the Company in favour of West Rail Property Development Limited, regarding, among other things, the Company’s obligations under the TW6 Project;
- (j) a termination agreement dated 1 November 2013 between Cherrytime Investments Limited and Future Best Developments Limited, regarding the termination of the management agreement in respect of the provision of management and administrative services by the subsidiaries of Wing Tai Properties Limited to the Group;
- (k) a new management agreement dated 1 November 2013 entered into between Access Rich Limited, Chericourt Company Limited, WK Parking Limited, WK Property Financial Limited (all of which being wholly-owned subsidiaries of the Company), Wing Tai Properties Estate Management Limited and Wing Tai Properties Estate Agents Limited, regarding the provision of assets management and carpark management services to the Group for a monthly remuneration of HK\$113,000 plus reimbursement of actual costs and expenses for providing staffing to the carpark operation and the provision of leasing services at agreed commission rates, which agreement is terminable by any party’s three months’ notice;
- (l) the shareholders’ agreement in relation to UVL dated 22 April 2014 and entered into among the Company, Wkdeveloper Limited (an indirect wholly-owned subsidiary of the Company), Vanke HK, NWD, Ultimate Sail Limited (a wholly-owned subsidiary of NWD) and UVL;
- (m) the deed of undertaking and indemnity dated 6 May 2014 executed by UVL, NWD and the Company in favour of TW6 Limited, regarding, among other things, UVL’s obligations under the TW6 Project;
- (n) the unconditional and irrevocable several guarantee dated 30 June 2014 provided by the Company in favour of the security trustee in respect of UVL’s obligations under the TW6 Loan Facilities guaranteeing, among others, the repayment of the principal portion of the TW6 Loan Facilities up to HK\$960,000,000;
- (o) completion undertaking dated 30 June 2014 between NWD and the Company as covenantors in favor of the security trustee in relation to UVL’s obligations under the TW6 Loan Facilities;

- (p) funding agreement dated 30 June 2014 between UVL as borrower, NWD and the Company as covenantors in favor of the security trustee in relation to UVL's obligations under the TW6 Loan Facilities;
- (q) share charge dated 30 June 2014 between Ultimate Sail Limited and Wkdeveloper Limited as shareholders in favor of the security trustee in relation to the TW6 Loan Facilities;
- (r) subordination agreement dated 30 June 2014 between UVL as borrower, New World Finance Company Limited and Wkdeveloper Limited as subordinated lenders in favor of the security trustee in relation to the TW6 Loan Facilities; and
- (s) the deed of undertaking and indemnity dated 17 November 2014 executed by UVL, NWD and the Company in favour of TW6 Limited, regarding, among other things, UVL's obligations under the TW6 Project.

10. EXPERT AND CONSENT

The following are the qualifications of the expert who has given opinions or advice which are contained in this Prospectus:

Name	Qualification
KPMG	Certified Public Accountants

The above expert has given and has not withdrawn its written consent to the issue of this Prospectus, with the inclusion of its report(s) or letter(s) (as the case may be) and references to its name in the form and context in which they appear respectively.

As at the Latest Practicable Date, the above expert was not beneficially interested in the share capital of any member of the Group, nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did it have any interest, either direct or indirect, in any assets which had been since 31 December 2014 (being the date to which the latest published audited financial statements of the Group were made up) acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

11. INTEREST IN CONTRACT OR ARRANGEMENT

On 19 July 2013, the Group entered into a contract with Vanke HK in relation to the sharing of administrative services on a cost basis. The Company is an indirect 75% owned subsidiary of Vanke HK, which in turn is an indirect wholly-owned subsidiary of China Vanke. Mr. Zhang Xu and Ms. Que Dong Wu are directors of Vanke HK and each of them is an executive of and beneficially interested in the issued shares and underlying shares of China Vanke. Mr. Chan Chi Yu is a consultant of and is beneficially interested in the issued shares of China Vanke.

Save as disclosed above, none of the Directors was materially interested in any contracts or arrangement entered into by any member of the Group which is subsisting as at the Latest Practicable Date and which is significant in relation to the business of the Group.

Save as disclosed above, none of the Directors has any direct or indirect interest in any assets which have been, since 31 December 2014, being the date to which the latest published audited financial statements of the Group were made up, acquired or disposed of by, or leased to any member of the Group, or are proposed to be acquired or disposed of by, or leased to any member of the Group.

12. EXPENSES

The expenses in connection with the Rights Issue, including underwriting commission, legal and professional fees, registration, printing and translation expenses are estimated to amount to approximately HK\$12.2 million and will be payable by the Company.

13. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents and the written consent given by KPMG as referred to in the paragraph headed “Expert and Consent” in this appendix have been delivered to the Registrar of Companies in Hong Kong for registration pursuant to 342C of the Companies Ordinance.

14. LEGAL EFFECT

The Prospectus Documents and all acceptance of any offer or application contained in such documents are governed by and shall be construed in accordance with the laws of Hong Kong. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all person concerned bound by the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies Ordinance.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at the principal place of business of the Company at 55th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong for a period of 14 days from the date of this Prospectus:

- (a) the memorandum and articles of association of the Company;
- (b) this Prospectus;
- (c) the letter of consent referred to in the paragraph headed “Expert and Consent” in this appendix;
- (d) the material contracts referred to in the paragraph headed “Material Contracts” in this appendix;
- (e) the report from KPMG in respect of the unaudited pro forma financial information as set out in Appendix II to this Prospectus; and

- (f) the annual reports of the Company for each of the three financial years ended 31 December 2012, 2013 and 2014.

16. MISCELLANEOUS

- (a) The company secretary of the Company is Mr. Luk Chi Chung, Peter, who is a fellow member of the Hong Kong Institute of Certified Public Accountants and The Hong Kong Institute of Chartered Secretaries.
- (b) The registered office of the Company is situated at P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands.
- (c) The principal place of business of the Company is situated at 55th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong.
- (d) The Hong Kong branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- (e) The English text of this Prospectus shall prevail over their respective Chinese text in case of inconsistency.