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**SOHO CHINA LIMITED**

**SOHO 中國有限公司**

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

**(Stock Code: 410)**

**DISCLOSEABLE TRANSACTION  
IN RELATION TO THE JOINT ACQUISITION OF COMMERCIAL LAND IN  
THE LIZE FINANCIAL BUSINESS DISTRICT OF BEIJING  
AND  
THE AGREEMENT FOR  
THE PROPOSED ESTABLISHMENT OF JOINT VENTURE**

The Company is pleased to announce that on 26 September 2013, the Group succeeded in the tender with BITIC for the land use right of the Land situated in the Lize Financial Business District of Beijing (北京麗澤金融商務區), at the Consideration of RMB1,922 million (equivalent to approximately HK\$2,424 million), representing an average land cost of RMB15,500 per square meter.

The Land, identified as Plot E04, is situated in the core area of the Lize Financial Business District between the 2nd and 3rd Ring Road, close to Financial Street and less than 1 kilometer away from West 2nd Ring Road. It sits directly above the Lize Financial Business District Station, the intersection of planned subway line 14 (under construction) and 16. The Land is for commercial and financial use and has a site area of approximately 14,365.3 square meters and an above ground construction area of 124,000 square meters.

Following the successful tender for the land use right of the Land, Shanghai Changqian and BITIC entered into the Agreement on 26 September 2013 to set out the principal terms of the articles of association of the JVCO to be established for the acquisition, holding and development of the Land. The JVCO will be owned by Shanghai Changqian and BITIC as to 80% and 20%, respectively.

As one or more of the applicable percentage ratios in respect of the total investment amount to be contributed by the Group to the JVCO of RMB1,537.6 million (equivalent to approximately HK\$1,939 million) exceeds 5% but is less than 25%, the Transactions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## THE ACQUISITION

The Company is pleased to announce that on 26 September 2013, Shanghai Changqian, an indirect wholly-owned subsidiary of the Company, received the Bid Confirmation from 北京市國土資源局豐台分局 (the Fengtai District Branch of Beijing Municipal Bureau of Land and Resources\*) confirming that Shanghai Changqian and BITIC succeeded in the tender for the land use right of the Land situated in the Lize Financial Business District of Beijing (北京麗澤金融商務區), the PRC at the Consideration of RMB1,922 million (equivalent to approximately HK\$2,424 million), representing an average land cost of RMB15,500 per square meter.

Details of the Acquisition are as follows:

### Parties

- Purchaser : (1) 上海長乾投資管理諮詢有限公司 (Shanghai Changqian Investment and Advisory Company Limited\*); and
- (2) 北京國際信託有限公司 (Beijing International Trust Co., Ltd.\*)
- Vendor : 北京市國土資源局豐台分局 (the Fengtai District Branch of Beijing Municipal Bureau of Land and Resources\*)

### Subject matter

The Land, identified as Plot E04, is situated in the core area of the Lize Financial Business District of Beijing (北京麗澤金融商務區), the PRC and less than 1 kilometer away from West 2nd Ring Road. The Land is easily accessible as it is located right above the Lize Business District Station of the planned Subway Lines 14 (under construction) and 16.

The Land has a site area of 14,365.3 square meters and an above ground construction area of 124,000 square meters. The Land is for commercial and financial use.

### Land Grant Contract

Shanghai Changqian and BITIC shall enter into the Land Grant Contract with the Vendor within 10 business days after the date of the Bid Confirmation.

### Consideration and payment terms

The Consideration of RMB1,922 million (equivalent to approximately HK\$2,424 million) was arrived at after a tender organised by the Vendor. The Consideration shall be settled in cash and in accordance with the terms of the Land Grant Contract. Shanghai Changqian and BITIC shall pay 80% and 20%, respectively, of the Consideration. Shanghai Changqian has paid a security deposit of RMB400 million (equivalent to approximately HK\$505 million) for the purpose of the tender, which will be applied towards the partial settlement of the Consideration.

## THE AGREEMENT

Following the successful tender for the land use right of the Land, Shanghai Changqian and BITIC will establish the JVCO for the purpose of acquiring, holding and developing the Land, and will hold an 80% interest and a 20% interest, respectively, in the JVCO. In this connection, on 26 September 2013, Shanghai Changqian and BITIC entered into the Agreement to set out the principal terms of the JVCO Articles of Association, which are as follows:

<b>Registered capital of the JVCO:</b>	The amount of the registered capital of the JVCO will be RMB100 million, of which Shanghai Changqian shall contribute RMB80 million and BITIC shall contribute RMB20 million.
<b>Shareholdings in the JVCO:</b>	Shanghai Changqian – 80% BITIC – 20%
<b>Scope of business of the JVCO:</b>	Real estate development, sale of commodity house, property management and leasing of self-owned properties, and real estate advisory service.
<b>Term of the JVCO:</b>	30 years
<b>Funding of the JVCO:</b>	The JVCO shall obtain its funding for the acquisition and development of the Land by such means as the board of directors of the JVCO may determine from time to time or by such other means as the JV Parties may agree from time to time.
<b>Dividend and distribution policy:</b>	Any dividend or distribution shall be proposed by the board of directors of the JVCO and approved by the shareholders of the JVCO. Profits will be distributed to the JV Parties in proportion to their respective percentage shareholdings in the JVCO.

Based on the Consideration of RMB1,922 million (equivalent to approximately HK\$2,424 million) and the percentage shareholding of Shanghai Changqian in the JVCO, the total investment amount to be contributed by the Group to the JVCO is expected to be RMB1,537.6 million (equivalent to approximately HK\$1,939 million) (inclusive of the security deposit of RMB400 million (equivalent to approximately HK\$505 million) already paid by Shanghai Changqian for the purpose of the tender). The Group will fund the amount of the Consideration payable by Shanghai Changqian and its investment in the JVCO from its internal resources.

As the JVCO will be owned by Shanghai Changqian and BITIC as to 80% and 20%, respectively, the JVCO will be treated as an indirect 80%-owned subsidiary of the Company and will be so accounted for in the consolidated financial statements of the Company.

## **REASONS FOR, AND BENEFITS OF, THE TRANSACTIONS**

The Land is situated in the core area of the Lize Financial Business District, close to Financial Street. It sits directly above the Lize Financial Business District Station, the intersection of planned subway line 14 (under construction) and 16. The Land is for commercial and financial use.

Located between Beijing's West 2nd and 3rd Ring Roads, the Lize Financial Business District is the key area to be developed into Beijing's next financial district, as an extension of the Financial Street. With a total site area of 8.09 square kilometers and a total planned GFA of 8-9.5 million square meters, the Lize Financial Business District is the last large-scale area for new development within the 3rd Ring Road in Beijing. It is planned to provide quality offices, apartments, exhibition centers, commercial and leisure facilities to accommodate the demand stemming from burgeoning financial institutions and headquarters of financial companies. All the 12 land parcels within the core area of the Lize Financial Business District and their underground retail area of 150,000 square meters will be connected by a 3-kilometer transit corridor circling the whole area underground.

The Board has full confidence in the huge potential of future development and value growth of the Lize Financial Business District, and believes that the Acquisition will further expand the Group's strategic layout in Beijing's major commercial districts, and benefit the successful development of the Group's business model in Beijing. The establishment of the JVCO will also benefit the Group as the Group can form a strategic partnership with a local financial institution.

Accordingly, the Directors believe that the terms of the Transactions are fair and reasonable and that the Transactions are in the interests of the Company and its shareholders as a whole.

## **INFORMATION ON SHANGHAI CHANGQIAN, BITIC, THE VENDOR AND THE COMPANY**

### **Shanghai Changqian**

Shanghai Changqian is a limited liability company incorporated under the laws of the PRC and an indirect wholly-owned subsidiary of the Company. Shanghai Changqian is principally engaged in the provision of investment advisory services and corporate management advisory services.

## **BITIC**

BITIC is a limited liability company incorporated under the laws of the PRC. BITIC is engaged in trust business, investment fund business, financial services, underwriting of securities, financial leasing and investments, inter-bank lending and borrowing, provision of brokerage, advisory and credit assessment services, provision of agent services in assets preservation and safe keeping and provision of guarantee services.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, BITIC and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

## **The Vendor**

北京市國土資源局豐台分局 (the Fengtai District Branch of Beijing Municipal Bureau of Land and Resources\*) is a governmental body in the Fengtai District of Beijing, the PRC and is responsible for, among other things, administering the grant of the land use rights of the state-owned land and resources in the Fengtai District of Beijing.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

## **The Company**

The Company is a company incorporated in the Cayman Islands with limited liability. Its shares are listed on the Main Board of the Stock Exchange.

The principal business activity of the Company is investment holding. The principal business activities of its major subsidiaries are development, sale and operation of commercial properties in central Beijing and Shanghai.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios in respect of the total investment amount to be contributed by the Group to the JVCO of RMB1,537.6 million (equivalent to approximately HK\$1,939 million) exceeds 5% but is less than 25%, the Transactions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

## DEFINITIONS

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

“Acquisition”	the acquisition of the land use right of the Land by Shanghai Changqian and BITIC through a tender organised by the Vendor
“Agreement”	the agreement dated 26 September 2013 and entered into between the JV Parties setting out the principal terms of the JVCO Articles of Association
“Bid Confirmation”	the confirmation notice (中標通知書) dated 26 September 2013 and issued by the Vendor to Shanghai Changqian and BITIC confirming that they have succeeded in the tender for the land use right of the Land
“BITIC”	北京國際信託有限公司 (Beijing International Trust Co., Ltd.*), a limited liability company incorporated in the PRC
“Board”	the board of Directors
“Company”	SOHO China Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange (stock code: 410)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the total consideration for the Acquisition, being RMB1,922 million (equivalent to approximately HK\$2,424 million)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV Parties”	collectively, Shanghai Changqian and BITIC, and a “JV Party” shall mean any of them
“JVCO”	a limited liability company to be established by the JV Parties under the laws of the PRC and to be owned by Shanghai Changqian and BITIC as to 80% and 20%, respectively, for the purpose of acquiring, holding and developing the Land

“JVCO Articles of Association”	the articles of association of the JVCO to be entered into by the JV Parties
“Land”	the parcel of land identified as Plot E04 and situated in the Lize Financial Business District of Beijing (北京麗澤金融商務區), the PRC and bordered by Luotuowan East Road (駱駝灣東路) to the east, Luotuowan South Road (駱駝灣南路) to the south, Lize Zhonger Road (麗澤中二路) to the west and Fengtai North Road (豐台北路) and Fengtai North Road West Extension (豐台北路西延) to the north, with a site area of 14,365.3 square meters and an above ground construction area of 124,000 square meters
“Land Grant Contract”	the land use right grant contract to be entered into between the Vendor as vendor and Shanghai Changqian and BITIC as purchasers in respect of the Acquisition
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“percentage ratio(s)”	has the meaning ascribed to it in Rule 14.07 of the Listing Rules
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Changqian”	上海長乾投資管理諮詢有限公司 (Shanghai Changqian Investment and Advisory Company Limited*), a limited liability company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transactions”	the Acquisition and the entering into of the Agreement by the JV Parties and the transactions contemplated thereunder, including but not limited to the establishment of the JVCO by the JV Parties for the acquisition, holding and development of the Land
“Vendor”	北京市國土資源局豐台分局 (the Fengtai District Branch of Beijing Municipal Bureau of Land and Resources*), a governmental body in the Fengtai District of Beijing, the PRC
“%”	per cent

*In this announcement, amounts denominated in RMB are converted into HK\$ on the basis of RMB1 = HK\$1.26126. The conversion rate is for illustration purpose only and should not be taken as a representation that RMB could actually be converted into HK\$ at that rate or at all.*

\* *The English name is a translation of its Chinese name and is included for identification purposes only.*

By order of the Board  
**SOHO China Limited**  
**Pan Shiyi**  
Chairman

Beijing, the People's Republic of China  
27 September 2013

*As at the date of this announcement, the Board comprises Mr. Pan Shiyi, Mrs. Pan Zhang Xin Marita, Ms. Yan Yan, Ms. Tong Ching Mau and Mr. Yin Jie, being the executive Directors, and Dr. Ramin Khadem, Mr. Cha Mou Zing, Victor and Mr. Yi Xiqun, being the independent non-executive Directors.*