
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **SOHO China Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or the transferee or to the bank, licensed securities dealer, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 this circular.



SOHO CHINA LIMITED

SOHO中國有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 410)

**PROPOSAL FOR
DECLARATION AND PAYMENT OF SPECIAL DIVIDEND
OUT OF SHARE PREMIUM ACCOUNT
AND
RE-ELECTION OF EXECUTIVE DIRECTOR
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM of SOHO China Limited to be held at 11/F, Tower A, Chaowai SOHO, 6B Chaowai Street, Chaoyang District, Beijing, PRC on Tuesday, 27 September 2016 at 10:00 a.m. is set out on pages 9 to 10 of this circular. A form of proxy for use at the EGM is enclosed. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.sohochina.com).

Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

9 September 2016

CONTENTS

	<i>Page</i>
DEFINITIONS	1
 LETTER FROM THE BOARD	
1. INTRODUCTION	3
2. DECLARATION AND PAYMENT OF SPECIAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT	4
3. RE-ELECTION OF EXECUTIVE DIRECTOR	5
4. EGM	6
5. VOTING BY POLL	6
6. PROXY ARRANGEMENT	7
7. CLOSURE OF REGISTER OF MEMBERS	7
8. RECOMMENDATION	7
9. RESPONSIBILITY STATEMENT	8
 NOTICE OF EXTRAORDINARY GENERAL MEETING	 9

DEFINITIONS

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

“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“Companies Law”	the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and any amendments or other statutory modifications thereof
“Company”	SOHO China Limited, an exempted company incorporated on 5 March 2002 in the Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be held at 11/F, Tower A, Chaowai SOHO, 6B Chaowai Street, Chaoyang District, Beijing, PRC on Tuesday, 27 September 2016 at 10:00 a.m., for the purpose of, among other things, considering and, if appropriate, approving the resolutions contained in the notice of the meeting which is set out on pages 9 to 10 of this circular, or any adjournment thereof
“Group”	the Company and its subsidiaries
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	31 August 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Main Board”	the stock market operated by the Stock Exchange, which excludes the Growth Enterprise Market and the options market

DEFINITIONS

“PRC”	the People’s Republic of China and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Record Date”	Wednesday, 5 October 2016, being the record date for determining entitlements to the Special Dividend
“RMB”	Renminbi, the lawful currency of the PRC
“Securities and Futures Ordinance”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“Share(s)”	ordinary share(s) of nominal value of HK\$0.02 each in the capital of the Company
“Share Premium Account”	the share premium account of the Group, the amount standing to the credit of which was approximately RMB3,397,103,039.59 as at 31 August 2016 based on the unaudited consolidated financial statements of the Group as at that date
“Shareholder(s)”	holder(s) of Share(s)
“Special Dividend”	the proposed special dividend of RMB0.19 per Share as recommended by the Board to Shareholders whose names appear on the register of members of the Company on the Record Date
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



SOHO CHINA LIMITED

SOHO中國有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 410)

Executive Directors:

Mr. Pan Shiyi
Mrs. Pan Zhang Xin Marita
Ms. Yan Yan
Ms. Tong Ching Mau

Independent non-executive Directors:

Mr. Sun Qiang Chang
Mr. Cha Mou Zing, Victor
Mr. Xiong Ming Hua

Registered office:

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

Corporate headquarter:

11/F, Tower A, Chaowai SOHO
6B Chaowai Street
Chaoyang District
Beijing 100020, PRC

Principal place of business in

Hong Kong:

36/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

9 September 2016

To the Shareholders

Dear Sir or Madam,

**PROPOSAL FOR
DECLARATION AND PAYMENT OF SPECIAL DIVIDEND
OUT OF SHARE PREMIUM ACCOUNT
AND
RE-ELECTION OF EXECUTIVE DIRECTOR
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

References are made to the announcements of the Company dated 18 May 2016 in relation to, among other things, the appointment of Ms. Tong Ching Mau as an executive Director and the chief financial officer of the Company and dated 17 August 2016 in relation to, among other things, the proposed declaration and payment of Special Dividend out of the Share Premium Account.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with (i) the notice of EGM; (ii) information regarding the proposed declaration and payment of Special Dividend out of the Share Premium Account, and (iii) information regarding the re-election of executive Director, so as to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the EGM.

2. DECLARATION AND PAYMENT OF SPECIAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT

Subject to fulfillment of the conditions set out in the section headed “Conditions of the Payment of Special Dividend out of Share Premium Account” below, the Board has recommended the declaration and payment of the Special Dividend of RMB0.19 per Share out of the Share Premium Account.

As at the Latest Practicable Date, the issued share capital of Company comprised 5,199,524,031 Shares. On the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the EGM, the Special Dividend, if declared and paid, will amount to an aggregate amount of RMB987,909,565.89.

Subject to the fulfilment of the conditions set out in the section headed “Conditions of the Payment of Special Dividend out of Share Premium Account” below, the Special Dividend is intended to be paid out of the Share Premium Account pursuant to Articles 136 and 137 of the Articles of Association and in accordance with the Companies Law.

As at 31 August 2016, based on the unaudited consolidated financial statements of the Group, the amount standing to the credit of the Share Premium Account was approximately RMB3,397,103,039.59. Following the payment of the Special Dividend, there will be a remaining balance of approximately RMB2,409,193,473.70 standing to the credit of the Share Premium Account.

Conditions of the Payment of Special Dividend out of Share Premium Account

The payment of the Special Dividend out of the Share Premium Account is conditional upon the satisfaction of the following conditions:

- (a) the passing of an ordinary resolution by the Shareholders at the EGM approving the declaration and payment of the Special Dividend out of the Share Premium Account pursuant to Articles 136 and 137 of the Articles of Association; and
- (b) the Directors being satisfied that there are no reasonable grounds for believing that the Company is, immediately following payment of the Special Dividend, unable to pay its liabilities as they fall due in the ordinary course of business.

The conditions set out above cannot be waived. If such conditions are not satisfied, the Special Dividend will not be paid.

LETTER FROM THE BOARD

Subject to the fulfilment of the above conditions, it is expected that the Special Dividend will be paid in cash on or about Monday, 17 October 2016 to the qualifying Shareholders whose names appear on the register of members of the Company at close of business on Wednesday, 5 October 2016, being the Record Date for determination of entitlements to the Special Dividend.

Reasons for and effect of the payment of Special Dividend out of Share Premium Account

To reward the Shareholders, the Board considers it appropriate to distribute the Special Dividend to repay the Shareholders' support.

The payment of the Special Dividend out of the Share Premium Account does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or result in any change in the trading arrangements in respect of the Shares.

After taking into consideration of the existing cash flow of the Group, the Board considers that the Company has sufficient cash flow to pay the Special Dividend. The payment of the Special Dividend out of the Share Premium Account will not have any material adverse effect on the financial position of the Group.

The Directors consider that the declaration and proposed payment of the Special Dividend out of the Share Premium Account is in the interests of the Company and its Shareholders as a whole.

3. RE-ELECTION OF EXECUTIVE DIRECTOR

As disclosed in the announcement of Company dated 18 May 2016, the Board has appointed Ms. Tong Ching Mau ("**Ms. Tong**") as an executive Director and the chief financial officer of the Company with effect from 18 May 2016 and 3 May 2016 respectively. Ms. Tong has taken this opportunity to make herself available for re-election as an executive Director by the Shareholders at the EGM in accordance with the Articles of Association.

Ms. Tong Ching Mau

Ms. Tong, aged 46, holds a Master of Business Administration degree from Yale University, and a Master and a Bachelor degree of Economics from Fudan University in Shanghai. Prior to rejoining the Group, Ms. Tong was the vice general manager and financial consultant of the board of directors of Red Star Macalline Group Corporation Ltd. (a company listed on the Stock Exchange, stock code: 1528). From 2002 to 2014, Ms. Tong acted as the director of corporate finance and investor relations and then financial controller prior to her promotion as the Chief Financial Officer of the Company, during which period Ms. Tong was responsible for financial management, investor relations and corporate finance of the Company. During 2001 to 2002, she worked in the investment banking division of Credit Suisse First Boston in New York. Ms. Tong currently holds directorship in certain subsidiaries of the Group.

LETTER FROM THE BOARD

Ms. Tong has entered into a service agreement with the Company for a term of three years commencing from 18 May 2016 and may be terminated by either party thereto giving to the other party not less than one month's prior notice in writing. In accordance with the Articles of Association, Ms. Tong will hold office until the forthcoming general meeting of the Company after her appointment and will be eligible for re-election at that meeting and is thereafter subject to rotation requirements and re-election. Ms. Tong will receive a basic salary of RMB1,988,400 annually which was determined by the Board with reference to her job responsibility and prevailing market rate together with discretionary bonus based on her performance.

As at the Latest Practicable Date, Ms. Tong has interest in 171,365 shares of the Company, which includes 43,307 unvested shares granted to her under the Employees' Share Award Scheme adopted by the Company on 23 December 2010 and 128,058 shares beneficially owned by her, within the meaning of Part XV of the Securities and Futures Ordinance.

Ms. Tong has no relationship with any Directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed above, Ms. Tong did not hold any position with the Company or any other members of the Group, nor had any directorships in other listed public companies in the last three years. Save as disclosed herein, there is no information to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules relating to the re-election of Ms. Tong as an executive Director or that needs to be brought to the attention of the Stock Exchange and the Shareholders.

4. EGM

A notice dated 9 September 2016 convening the EGM is set out on pages 9 to 10 of this circular, at which, *inter alia*, an ordinary resolution will be proposed to Shareholders to consider, and if thought fit, approve the declaration and payment of the Special Dividend out of the Share Premium Account and the re-election of executive Director as set out in this circular.

5. VOTING BY POLL

The resolutions set out in the notice of the EGM would be decided by poll in accordance with the Listing Rules and the Articles of Association. The chairman of the EGM will explain the detailed procedures for conducting a poll at the commencement of the EGM.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for every fully paid share of which he/she/it is the holder. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

After the conclusion of the EGM, the poll results will be published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.sohochina.com in accordance with Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

6. PROXY ARRANGEMENT

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.sohochina.com). Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM if you so wish and, in such event, the form of proxy shall be deemed to be revoked.

7. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 23 September 2016 to Tuesday, 27 September 2016 (both days inclusive), for the purpose of determining the Shareholders who are entitled to attend and vote at the EGM, during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the EGM, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 22 September 2016.

The register of members of the Company will also be closed from Monday, 3 October 2016 to Wednesday, 5 October 2016 (both days inclusive), for the purpose of determining the entitlements of the Shareholders to the Special Dividend, during which period no transfer of Shares will be effected. In order to qualify for the proposed Special Dividend, which is subject to satisfaction of the conditions as disclosed above, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 30 September 2016.

8. RECOMMENDATION

The Directors consider that (a) the proposed declaration and payment of Special Dividend out of Share Premium Account; and (b) the proposed re-election of Ms. Tong as executive Director are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

LETTER FROM THE BOARD

9. RESPONSIBILITY STATEMENT

This circular, 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 Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief: (i) the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive; (ii) no Shareholders are required to abstain from voting in respect of the resolution to approve the declaration and payment of the Special Dividend; and (iii) there are no other matters the omission of which would make any statement herein or this circular misleading.

By order of the Board
SOHO China Limited
Pan Shiyi
Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING



SOHO CHINA LIMITED SOHO中國有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 410)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the extraordinary general meeting (the “**EGM**”) of SOHO China Limited (the “**Company**”) will be held at 11/F, Tower A, Chaowai SOHO, 6B Chaowai Street, Chaoyang District, Beijing, the People’s Republic of China (the “**PRC**”) on Tuesday, 27 September 2016 at 10:00 a.m. for the purpose of, among other things, considering and, if thought fit, passing with or without modification the following ordinary resolutions:

ORDINARY RESOLUTIONS

1. “**THAT** the declaration and payment of a special dividend of RMB0.19 per ordinary share out of the share premium account of the Group (the “**Special Dividend**”) to shareholders of the Company whose names appear on the register of members of the Company on the record date fixed by the board of directors (the “**Board**”) for determining the entitlements to the Special Dividend be and is hereby approved and any director of the Company be and is hereby authorised to take such action, do such things and execute such further documents as the director may at his/her absolute discretion consider necessary or desirable for the purpose of or in connection with the implementation of the payment of the Special Dividend.”
2. “**THAT** Ms. Tong Ching Mau be re-elected as an executive director of the Company and the Board be authorised to determine her remuneration.”

By order of the Board
SOHO China Limited
Pan Shiyi
Chairman

Beijing, the PRC, 9 September 2016

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. The resolutions at the EGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the Listing Rules.
2. Any member of the Company entitled to attend and vote at the EGM is entitled to appoint more than one proxy to attend and on a poll, vote instead of him/her. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. In the case of joint holders of any share of the Company, any one of such joint holders may vote at the meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s), and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or other authority, must be deposited at the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the EGM or any adjournment thereof and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. For determining the right to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 23 September 2016 to Tuesday, 27 September 2016 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for attending and voting at the EGM, all transfers, accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 22 September 2016.
6. For determining the entitlements to the proposed special dividend, the register of members of the Company will be closed from Monday, 3 October 2016 to Wednesday, 5 October 2016 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for the proposed special dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 30 September 2016.
7. In respect of the ordinary resolutions numbered 2 above, Ms. Tong Ching Mau, being eligible, has offered herself for re-election at the EGM. Details are set out in the circular of the Company dated 9 September 2016.