



**YANLORD LAND GROUP LIMITED**  
(Incorporated with limited liability in the Republic of Singapore)  
(Registration Number: 200601911K)

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**JOINT VENTURE WITH SHENZHEN HENGMING REAL ESTATE DEVELOPMENT CO., LTD.<sup>1</sup> (“SHMRE”) AND MR. CHEN REN WU (“MR. CHEN”) THROUGH THE ACQUISITION OF A TOTAL OF 75% STAKE IN SHENZHEN HENGMING COMMERCIAL CO., LTD.<sup>2</sup> (“SHMC”) (“JOINT VENTURE”)**

Yanlord Land Group Limited (“Company”, and together with its subsidiaries, “Group”) wishes to announce the Joint Venture, details of which are as follows:

SHMC is a company established in the People's Republic of China and jointly-owned by SHMRE and Mr. Chen with a registered capital of RMB10 million. SHMC is engaged in property development activities.

Pursuant to the terms of the investment agreement (“IA”), Nanjing Renyuan Investment Co., Ltd.<sup>3</sup> (“NRI”), a wholly-owned subsidiary of the Group shall acquire a total of 75% shareholding interest in SHMC (“Proposed Acquisition”) for a total cash consideration of RMB1.585 billion (“Consideration”), which shall be fully paid in three installments. The Consideration was arrived on a willing buyer, willing seller basis and will be funded by internal resources.

Upon completion of the Proposed Acquisition, NRI, SHMRE and Mr. Chen will hold a stake of 75%, 13.75% and 11.25% in SHMC respectively. The Proposed Acquisition is in-line with the Group's growth and development strategies.

Based on the latest available management accounts of SHMC as at 31 December 2015, the net tangible asset value (“NTA”) of the Proposed Acquisition is approximately RMB10 million. Based on the independent valuation report issued by Shenzhen Pengsheng Xinghui Asset Appraisal Office<sup>4</sup> dated 15 December 2015, the average market value of the residential development site owned by SHMC in Shenzhen was approximately RMB2.115 billion.

**FINANCIAL EFFECTS**

Assuming that the Proposed Acquisition had been effected at the end of the financial year ended 31 December 2015 (“FY2015”), there is no material effect on the NTA per share and the earnings per share of the Company for FY2015.

## **RELATIVE FIGURES**

The relative figures for the Proposed Acquisition computed on the bases set out in Rule 1006 of the Listing Manual, are as follows (RMB\$'000):

(1)	Net Profits Test (Rule 1006(b))	
	Net profit attributable to the Proposed Acquisition:	14
	Net profit of the Group:	3,598,197
	Size of the relative figure:	Not meaningful
(2)	Market Capitalisation Test (Rule 1006(c))	
	Aggregate value of the Consideration of the Proposed Acquisition:	1,585,000
	Company's market capitalisation:	9,072,541
	Size of the relative figure:	17.47%

For the purpose of this test, the market capitalisation of the Company is determined on the basis of the volume weighted average price of the Company's shares traded on the last trading day preceding the date of the IA.

As this transaction involves an acquisition of assets by the Company and no securities are issued by the Company as consideration for the Proposed Acquisition, the net asset value test and the equity securities test under Rule 1006(a) and Rule 1006(d) are not applicable.

None of the directors nor controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

A copy of each of the IA and the valuation report is available for inspection at the Company's registered office during normal hours on business days for three months after the date of this announcement.

The above financial figures are calculated based on an exchange rate of RMB1 = S\$0.2169.

Submitted by:

Zhong Sheng Jian  
Chairman and Chief Executive Officer  
28 January 2016

<sup>1</sup> An unofficial English translation name of 深圳市恒明置业发展有限公司

<sup>2</sup> An unofficial English translation name of 深圳市恒明商业有限公司

<sup>3</sup> An unofficial English translation name of 南京仁远投资有限公司

<sup>4</sup> An unofficial English translation name of 深圳市鹏盛星辉资产评估事务所