

## **BANYAN TREE HOLDINGS LIMITED**

(Company Registration Number 200003108H)

### **ACQUISITION OF BANYAN TREE CHINA HOSPITALITY FUND**

#### **1. INTRODUCTION**

Banyan Tree Holdings Limited (“**BTH**”, together with its subsidiaries, the “**Group**”) refers to the announcements dated 23 January 2017 and 10 August 2017 (the “**Announcements**”) in relation to the partnership with Vanke which, amongst others, include the intention for the joint venture to purchase all the assets and interests in Banyan Tree China Hospitality Fund.

*(Note: All capitalised terms used but not defined herein shall have the same meanings given to them in the Announcements, unless otherwise expressly stated or the context otherwise requires.)*

#### **2. ACQUISITION OF BANYAN TREE CHINA HOSPITALITY FUND**

- 2.1 As part of the further integration of the ownership of the hotels and assets, held under the Banyan Tree China Hospitality Fund (as described in the Announcements), both Banyan Tree China Pte. Ltd. (“**BTC**”) and Tritonia Company Limited have acquired all the hotel assets of the Banyan Tree China Hospitality Fund (“**China Fund Acquisition**”).
- 2.2 The China Fund Acquisition was undertaken by Shanghai Yuewan Enterprise Management Co., Ltd. (“**SYW**”), a company which was incorporated in the People’s Republic of China (“**PRC**”). The total registered and paid-up capital of SYW comprises RMB 1 million (approximately S\$ 0.2 million).
- 2.3 BTH through its 100% subsidiary, Tibet Lhasa Banyan Tree Resorts Limited held 6.7% interest in SYW, with the remaining 93.3% held by Kun Shan Lei Jin Enterprise Management Co., Ltd., a 100% subsidiary of Vanke.

- 2.4 SYW paid a total consideration of RMB 1,348,217,822 (approximately S\$ 280.6 million) (the “**China Fund Purchase Price**”) for the China Fund Acquisition. The China Fund Purchase Price was jointly funded by each of BTH and Vanke in accordance with their respective shareholding proportions in SYW as held through their respective wholly owned subsidiaries referred to in paragraph 2.3 above.
- 2.5 Following the above, SYW was acquired by a wholly-owned indirect subsidiary of Banyan Tree Assets (China) Holdings Pte. Ltd. (“**BTAC**”) which is an existing joint venture company formed between BTH and Vanke for the purposes of holding substantially all of the hotels and real estate assets of the joint venture in the PRC.
- 2.6 In recognition of the China Fund Acquisition and the respective contributions of BTH and Vanke in respect of the China Fund Purchase Price, BTC’s interest in BTAC was diluted from 50% to 22.8% (such dilution together with the China Fund Acquisition, the “**Transaction**”).

### 3 FINANCIAL EFFECTS

For illustrative purposes only, assuming the Transaction has been completed on 31 December 2017, based on the unaudited financial results of the Group for the financial year ended 31 December 2017, the Transaction will have the following impact to the Group’s earnings per share (“**EPS**”) and net tangible asset (“**NTA**”) per share:

|                        | Before the Transaction<br>Singapore Cents | After the Transaction<br>Singapore Cents |
|------------------------|-------------------------------------------|------------------------------------------|
| EPS (note 1)           | 1.67                                      | 3.76                                     |
| NTA per share (note 2) | 67.46                                     | 69.37                                    |

Note 1: EPS is computed based on weighted average number of 773,095,771 ordinary shares for the year ended 31 December 2017.

Note 2: NTA per share is computed based on 841,156,980 ordinary shares in issue as at 31 December 2017.

By Order of the Board

Jane Teah  
Company Secretary  
2 April 2018