



中国新天地
CHINA XINTIANDI

Shui On Land Disposes Interests in The HUB Hotel & Langham Xintiandi Hotel

(27 August 2014, Hong Kong)

Shui On Land Limited (“Shui On Land” or the “Company”, Stock Code: 272) announced today that Shui On Land, through its wholly-owned subsidiaries, has entered into agreements with the wholly-owned subsidiaries of Great Eagle Holdings Limited (Stock Code: 041) to dispose of its entire interest in The HUB Hotel and its entire interest in Magic Garden, which indirectly owns Langham Xintiandi Hotel.

The HUB Hotel is part of the Company’s development project known as The HUB, which is located next to the Hongqiao Transportation Hub in Shanghai. The HUB hotel, when completed, is expected to have aboveground gross floor area (GFA) of approximately 32,000 square metres (sq.m.), and underground GFA of approximately 14,000 sq.m., providing 403 guest rooms and various hotel and entertainment facilities. Construction of The HUB Hotel is scheduled to be completed in 2015. The aggregate consideration for The HUB Hotel disposal is RMB965 million.

Next to Shanghai Xintiandi and opening for business in 2012, Langham Xintiandi Hotel is a luxury hotel comprising 28 storeys and a five-level basement with a total GFA of approximately 53,407 sq.m., providing 357 guest rooms and various hotel and entertainment facilities. The agreed valuation for Langham Xintiandi Hotel, excluding deferred tax and intangible assets and liabilities, is RMB1,739 million.

The Company believes that the transactions will help Shui On Land to sharpen its focus on property development and China Xintiandi to focus on retail and office properties.

Great Eagle, which owns Langham Hospitality Group, is an experienced and successful hotel owner and operator of luxury hotels. Having world-class hotels managed by a knowledgeable and experienced operator such as Great Eagle will raise the profile of “Shanghai Xintiandi” and “The HUB”, and in turn enhance the long term value of the Company’s properties.

In addition, upon completion of the transactions, the Company will record a net cash inflow of RMB548 million, which will reduce the Company’s net gearing by 5%.