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MODERN LAND (CHINA) CO., LIMITED

當代置業（中國）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1107)

VOLUNTARY ANNOUNCEMENT

STRATEGIC COOPERATION AGREEMENT

The Board is pleased to announce that on 12 October 2015, Modern Green (an indirect wholly-owned subsidiary of the Company) and Tujia entered into the Strategic Cooperation Agreement, pursuant to which, the parties agreed to establish a cooperation framework in respect of the management services of community apartments.

This announcement is made by Modern Land (China) Co., Limited (the “Company”, together with its subsidiaries, the “Group”) on a voluntary basis and does not constitute a discloseable transaction of the Company under Chapter 14 or a connected transaction of the Company under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

STRATEGIC COOPERATION AGREEMENT

The board (the “Board”) of directors (the “Directors”) of the Company is pleased to announce that on 12 October 2015, Modern Green Development Co., Ltd. (當代節能置業股份有限公司) (“Modern Green”, an indirect wholly-owned subsidiary of the Company) and Tujia Network Technology (Beijing) Company Limited (途家網網絡技術（北京）有限公司) (“Tujia”) entered into a strategic cooperation framework agreement (the “Strategic Cooperation Agreement”). Pursuant to the Strategic Cooperation Agreement, the parties agreed to establish a cooperation framework in respect of the management services of community apartments, which are briefly summarised as follows:

Contents of Cooperation:

1. The management mode owned by Tujia is an innovative business mode integrating the characteristic of China, putting real estates into trusteeship management when they are not occupied by their owners. Such mode makes full use of the free time of owners’ real estates to generate revenues by providing housekeeper services under the hotel management brand of Tujia and helping the owners to manage and rent their real estates on the “Tujia” platform.

2. Modern Green will improve the levels and values of its projects through the value-added supporting services provided by Tujia including middle to high-end serviced apartments, holiday apartments, villas, white-collar apartments and youth apartments, so as to improve the customers' confidence and buying interests in its projects and finally increase the market competitiveness of the products of Modern Green.

Modes of Cooperation:

The cooperation of the parties will be carried out under, including but not limited to, the three modes as follows:

1. The cooperation mode of valued-added services "housekeepers + trusteeship" (the specific rights and obligations under this cooperation mode will be specified in an agreement separately entered into by the parties):
 - 1.1 Housekeeper services: Modern Green or its customers can purchase the high quality housekeeper services of residential apartments and villas provided by Tujia as the value-added services provided for the project sales of Modern Green. The customers can obtain housekeeper services for free when purchasing the high-quality apartments and villas of Modern Green.
 - 1.2 Open trusteeship: Modern Green will recommend the open trusteeship services of "Tujia" to its customers, who will enter into open house trusteeship contracts with Tujia when purchasing houses. The open trusteeship cooperation will make full use of the idle properties purchased by Modern Green's customers and put such properties into online operation at www.tujia.com with the revenues generated from the operation shared according to an agreed proportion. Such cooperation also meets the two demands of Modern Green's customers, namely self-occupation and appreciation, and maximises the values of real estates.
 - 1.3 Fixed return: Tujia pays fixed rentals to Modern Green or its customers for renting its or their properties for the operation of holiday apartments/villas on a monthly basis.
 - 1.4 Under this mode, Modern Green or its customers remain entitled to the coupons issued by Tujia for exchanging houses, and entitled to the rights of self-occupation by owners (for themselves and for their relatives and friends). The parties will negotiate separately on the amount payable for the exchange and the term of self-occupation.
2. Cooperation modes of brand and management output
 - 2.1 The management and operation mode of branded holiday apartments owned by Tujia is an innovative business mode integrating the market characteristics of holiday apartments and serviced apartments in China, which may assist Modern Green in managing its idle real estates or projects under operation by adopting the brand management and management modes of Tujia and conducting operation, management and maintenance through the software systems of Tujia, so as to generate or increase profits. Under such cooperation mode, Tujia will provide support in respect of the output and use of brands, output of management systems, software systems and order-based supports in light of the demands of Modern Green.

3. Membership cooperation mode

- 3.1 Member discount: Tujia provides exclusive member benefits to Modern Green and its customers under the cooperation projects so that they can enjoy discounts through the “Tuyou Card (途遊卡)” issued by Tujia when purchasing Tujia products. Detailed discount terms are subject to separate negotiations for different cooperation projects by both parties.
- 3.2 Exchange for occupation by group: by virtue of the cooperation relationship among Tujia and real estate developers and the internet platform of Tujia, both parties can enable customers under the cooperation projects of Modern Green to achieve “exchange for occupation” of houses owned by different real estate developers through the cooperation projects with a view to improve the added value of products.
- 3.3 Staff of Modern Green can enjoy a 15% discount when booking for proprietary stores of Tujia Sweetome (途家斯維登), while other preferential terms are not available at the same time. After the staff list and phone numbers from Modern Green are confirmed by Tujia, the staff of Modern Green can enjoy the discounts.

The parties are not subject to any capital commitment due to entering into the Strategic Cooperation Agreement. The parties will enter into further agreement and other documents to materialise the cooperation plan and strategy under the Strategic Cooperation Agreement as well as to set out the specific terms. The Company will make further announcement in due course according to the Listing Rules.

The Strategic Cooperation Agreement will remain in force for three years from the date thereof unless terminated by either party by serving one month written notice on the other party.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Tujia and its ultimate beneficial owner(s) are parties independent of and not connected with the Company and its connected person(s) (as defined under the Listing Rules).

REASONS FOR AND BENEFITS OF ENTERING INTO THE STRATEGIC COOPERATION AGREEMENT

The Group is principally engaged in the development of residential properties and integrated commercial properties. Meanwhile, Tujia is the first internet-based integrated operating group revitalising idle housing resources through close connection with its offline stores based on international decentralised-hotel management and service standards by relying on travel and real estate development with 24-hour call-centre services equipped in China. Through the commercial model with multi-dimensional and multi-angle coverage, its related companies across all over the world, such as Beijing Tujia Development Consultant Co., Ltd. (北京途家置業顧問有限公司), has created the diversified industry chain with scale advantages.

The Group's existing development properties include high-end serviced apartments, holiday apartments and villa projects. Tujia has outstanding technical competencies and brand advantages in respect of providing value-added supporting service designed for high-end apartments and villas. Taking into account the business needs of respective parties, the Board believes that the Group and Tujia would achieve a sound development pattern of "powerful combination, specialised allotment of labour and professional services" through the strategic cooperation, which would be beneficial to the long-term growth of the Group.

All the terms and conditions under the Strategic Cooperation Agreement are entered into by the parties after arm's length negotiation. The Board believes that the terms of the Strategic Cooperation Agreement are fair and reasonable and in the interests of the shareholders of the Company as a whole.

By Order of the Board
MODERN LAND (CHINA) CO., LIMITED
當代置業(中國)有限公司
Zhang Peng
President and Executive Director

Hong Kong, 12 October 2015

As at the date of this announcement, the Board comprises eight Directors, namely executive Directors: Mr. Zhang Lei, Mr. Zhang Peng and Mr. Chen Yin, non-executive Directors: Mr. Fan Qingguo and Mr. Zhong Tianxiang, and independent non-executive Directors: Mr. Qin Youguo, Mr. Cui Jian and Mr. Hui Chun Ho, Eric.