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**CHINA VANKE CO., LTD. \***

**萬科企業股份有限公司**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

(Stock code: 2202)

## **Overseas Regulatory Announcement**

This announcement is made pursuant to the requirement of Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

China Vanke Co., Ltd. herewith attaches the Company's announcement published on the website of CNINFO Network ([www.cninfo.com.cn](http://www.cninfo.com.cn)) namely "Announcement regarding the Unusual Movements in the Trading of A shares", for reference only.

By order of the Board  
**China Vanke Co., Ltd.**  
**Zhu Xu**  
*Company Secretary*

Shenzhen, the PRC,  
5 July 2016

*As at the date of this announcement, the Board comprises Mr. WANG Shi, Mr. YU Liang and Mr. WANG Wenjin as executive Directors; Mr. QIAO Shibo, Mr. SUN Jianyi, Mr. WEI Bin and Mr. CHEN Ying as non-executive Directors; and Mr. ZHANG Liping, Mr. HUA Sheng, Ms. LAW Elizabeth and Mr. HAI Wen as independent non-executive Directors.*

*\* for identification purpose only*



## CHINA VANKE CO., LTD. \*

### Announcement regarding the Unusual Movements in the Trading of A shares

Stock Code: 000002, 299903      Stock Short Name: Vanke A, Vanke H

Announcement No: (Wan) 2016-091

The Company and all Directors of the Board hereby assure that the content of the announcement is true, accurate, complete and free of any false record, misleading representation or material omissions.

#### **I. Remarks on the unusual movements in the trading of shares**

The accumulated closing price deviation value of A shares (Stock short name: Vanke A, stock code: 000002) of China Vanke Co., Ltd. (the “Company”) for two consecutive trading days (4 July and 5 July 2016) exceeded 20%. The aforesaid situation constitutes unusual movements in the trading of stocks pursuant to the Trading Rules of Shenzhen Stock Exchange and the relevant requirements.

#### **II. About the Company’s concerns and verification**

In light of the unusual movements in the trading of the Company’s shares, the Company had investigated into the relevant matters, details of which are as follows:

1. On 17 June 2016, the Company convened the eleventh meeting of the seventeenth board of directors, at which matters in relation to the Company’s purchase from Shenzhen Metro Group Co., Ltd. (“SZMC”) the 100% equity interest in SZMC Qianhai International Development Co., Ltd. by way of share issue were discussed. For details, please refer to China Vanke Co., Ltd.’s Proposal of Acquiring Assets by Way of Issuance of Shares and Connected Transaction, the Announcement of Resolutions Approved at the Eleventh Meeting of the Seventeenth Board of Directors of China Vanke Co., Ltd. and other relevant information disclosure documents published on 18 June 2016 on China Securities Journal, Securities Times, Shanghai Securities News, Securities Daily and the website of CNINFO Network ([www.cninfo.com.cn](http://www.cninfo.com.cn)).

On 22 June 2016, the Company received the Letter of Inquiry Regarding the

Restructuring of China Vanke Co., Ltd. (Permission type restructuring inquiry letter [2016] No. 39) (the “Inquiry Letter”) from the Shenzhen Stock Exchange.

On 23 June 2016, the Company’s shareholders, Shenzhen Jushenghua Co., Ltd. (“Jushenghua”) and Foresea Life Insurance Co., Ltd (“Foresea Life Insurance”), published a statement, stating that: “we explicitly oppose Vanke’s proposal on acquisition by share issue, and will subsequently exercise our shareholder’s right to vote at the general meeting in accordance with the aforesaid stand”. Subsequently, China Resources Co., Limited (“CRC”), the Company’s shareholder, responded from its subsidiary China Resources Group’s WeChat official account, that “CRC supports Vanke’s business cooperation with SZMC, but opposes the restructuring proposal on asset acquisition by share issue put forth by the Company’s management. CRC had sent letters to the respective regulators in mainland China and Hong Kong to report issues in relation to Vanke board’s consideration and voting process of the restructuring proposal, and questioned the compliance of the consideration process of the resolutions and validity of the passing of the resolutions.”

On 2 July 2016, the Company disclosed the Reply from China Vanke Co., Ltd. in relation to Letter of Inquiry Regarding the Restructuring of China Vanke Co., Ltd. (Permission type restructuring inquiry letter [2016] No. 39) from the Shenzhen Stock Exchange and the Proposal of Acquiring Assets by Way of Issuance of Shares and Connected Transaction (Revised Draft). Director Qiao Shibo, Director Wei Bin and Director Chen Ying had raised questions about the voting results of certain resolutions put forth at the eleventh meeting of the seventeenth board of directors held on 17 June 2016. Consensus on the aforementioned matter has not been reached as at the date of publication of this announcement.

2. On 24 June 2016, the Company received a notice from its shareholders, Jushenghua and Foresea Life Insurance. Jushenghua and Foresea Life Insurance are shareholders of the Company together holding more than 10% of the shares of the Company, requesting the Board to convene the second extraordinary general meeting in 2016 (“EGM”). The resolutions to be put forth at the EGM are in relation to the removal of the Company’s directors and non-staff representative supervisors. For details on the resolutions, please refer to the Requisition Notice Requesting the Board of China Vanke Co., Ltd. To Convene the Second Extraordinary General Meeting in 2016 issued by Jushenghua and Foresea Life Insurance and published by the Company on the website of Shenzhen Stock Exchange. On 4 July 2016, the Company disclosed the Announcement of Resolutions Approved at the Twelfth Meeting of the Seventeenth Board of Directors of China Vanke Co., Ltd. The meeting approved, with

11 votes in favour, 0 against and no abstention, the resolution regarding not to convene the second extraordinary general meeting in 2016 requisitioned by Shenzhen Jushenghua Co., Ltd. and Foresea Life Insurance Co., Ltd.

3. On 27 June 2016, Shenzhen Stock Exchange issued a “Letter of Concern To Shenzhen Jushenghua Co., Ltd. (Corporate Department’s Letter of Concern [2016] No. 119)” and a “Letter of Concern To China Resources Co., Limited (Corporate Department’s Letter of Concern [2016] No. 120)”, requesting replies from Jushenghua and China Resources Co., Limited (“CRC”) in relation to the questions raised in the Letters of Concern. For details on the replies by Jushenghua and CRC, please refer to Reply to Corporate Department’s Letter of Concern [2016] No. 119 of Shenzhen Stock Exchange and China Resources Co., Limited’s Reply to Shenzhen Stock Exchange’s Inquiry, disclosed on the website of Shenzhen Stock Exchange on 1 July.

4. On 2 July 2016, the Company disclosed the “Update Regarding Sales And Newly Added Development Project For the Month Ended 30 June 2016”. For June 2016, the Company achieved a sales area of 3,264,000 sq m, with a sales amount of RMB42.40 billion. From January to June of 2016, the Company achieved an accumulated sales area of 14,090,000 sq m and a sales amount of RMB190.08 billion.

5. With regard to the removal of the Company’s directors and non-staff representative supervisors proposed by Jushenghua and Foresea Life Insurance, Standard & Poor’s, on 28 June 2016, reminded the negative impact of the aforesaid matter on China Vanke. On the same day, Moody’s also said that, should the aforesaid matter materialise, China Vanke’s existing credit rating and outlook (Baa1 stable) will face adjustment pressure. On 29 June 2016, China Chengxin Securities Rating Co., Ltd. stated in an announcement that, should the resolutions in relation to the removal of all the Company’s directors be passed, China Vanke may face adjustment pressures on its credit rating or rating outlook.

6. After verification, there is no need to correct or provide additional information to the information previously disclosed by the Company.

7. Apart from the aforesaid matters, the Company did not found any recent media reports on any undisclosed material information that might create or had already created substantial impact on the Company’s stock price.

8. There were no significant changes in the recent operations of the Company, nor in the internal and external business environment.

9. According to the feedback from Jushenghua, the shareholder of the Company, it has purchased 75,293,000 A shares in the Company on 5 July 2016, accounting for 0.682% of the Company's total share capital. Following this purchase, the number of

shares held by Jushenghua and its parties acting in concert amounted to 24.972% of the Company's total share capital.

10. Apart from the aforesaid disclosed matters, the Company was not aware of any material matters involved or being contemplated by shareholder holding more than 5% of the Company's shares in relation to the Company that should be disclosed but not yet disclosed.

### **III. Explanation on whether there is any discloseable information not yet disclosed**

The Board confirmed that, other than the aforesaid matters, the Company currently does not have any discloseable information that has not been disclosed or any planning, negotiation, intent and agreement relating to the matter according to the requirements of the Rules Governing the Listing of Stocks of the Shenzhen Stock Exchange. The Board is also not aware of any information that the Company is required to disclose but not yet disclosed in accordance with the requirements of the Rules Governing the Listing of Stocks of the Shenzhen Stock Exchange that may substantially affect the transaction price of the Company's shares and its derivatives. There is no need to correct or provide additional information to the information previously disclosed by the Company.

### **IV. Notes to risks**

The Company disclosed the related risks in the section of "Notes To Material Risks" in the "Proposal of Acquiring Assets by Way of Issuance of Shares and Connected Transaction (Revised)" on 2 July 2016. Investors are advised to read in detail.

After self-review, there is no violation of a fair disclosure of information by the Company.

China Securities Journal, Securities Times, Shanghai Securities News, Securities Daily and the website of CNINFO Network ([www.cninfo.com.cn](http://www.cninfo.com.cn)) are the designated media channels of the Company's information disclosure. For accurate information, please refer to information published by the Company in the aforesaid designated media channels. Investors are advised to exercise caution in investment and pay attention to risks.

Board of Directors  
**China Vanke Co., Ltd.**  
6 July 2016