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萬達酒店發展有限公司
WANDA HOTEL DEVELOPMENT COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 169)

**MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE
PROPOSED ACQUISITION OF THE ENTIRE EQUITY INTEREST IN
WANDA HOTEL MANAGEMENT**

On 26 September 2017 (after trading hours), the Company entered into the Sale and Purchase Agreement with Wanda HK in respect of the Proposed Acquisition of the entire equity interest in Wanda Hotel Management, the principal terms and conditions of which are set out in this announcement.

The applicable percentage ratios of the transactions contemplated under the Sale and Purchase Agreement exceed 25% but are less than 100%. As at the date of this announcement, Dalian Wanda Commercial is an indirect holding company and a controlling shareholder of the Company, and hence is a connected person of the Company under the Listing Rules. Since Wanda HK is directly and wholly-owned by Dalian Wanda Commercial, Wanda HK is an associate of Dalian Wanda Commercial, and therefore also a connected person of the Company under the Listing Rules. Accordingly, the Proposed Acquisition contemplated in the Sale and Purchase Agreement between the Company and Wanda HK constitutes a major and non-exempt connected transaction of the Company under Chapters 14 and 14A of the Listing Rules, and will be subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

The SGM will be held to consider and, if thought fit, pass the resolution(s) to approve, among others, the Sale and Purchase Agreement and the transactions contemplated thereunder. Wanda HK and its associates shall abstain from voting on the relevant resolution(s) to be proposed at the SGM to approve the Proposed Acquisition. As at the date of this announcement, Wanda Overseas, being an associate of Wanda HK, is interested in 3,055,043,100 Shares representing approximately 65.04% of the issued share capital of the Company as at the date of this announcement, and will abstain from voting on such resolution(s).

A circular containing, among other things, (i) details of the Proposed Acquisition; (ii) the advice and recommendation of the Independent Board Committee; (iii) the advice and recommendation of the Independent Financial Adviser; and (iv) a notice convening the SGM and a proxy form will be despatched to the Shareholders on or before 19 October 2017.

Shareholders and potential investors should note that the Proposed Acquisition is subject to fulfillment of the conditions precedent set out in the Sale and Purchase Agreement, and may or may not proceed to completion. Further, the proposed acquisition of Wanda Travel and the proposed disposal of the Project Companies as referred to in the Company's announcement dated 9 August 2017 concerning the Framework Agreement may or may not proceed and the final terms, which are still subject to further discussion amongst the parties, have yet to be finalised. Shareholders and potential investors are advised to exercise caution in dealing in the securities of the Company.

INTRODUCTION

Reference is made to the announcement of the Company dated 9 August 2017 in respect of the non-binding Framework Agreement entered into between the Company, Wanda Culture and Dalian Wanda Commercial regarding the possible asset restructuring involving the proposed acquisition of Wanda Hotel Management, the proposed acquisition of Wanda Travel and the proposed disposal of the Project Companies.

The Board is pleased to announce that on 26 September 2017 (after trading hours), the Company entered into the Sale and Purchase Agreement with Wanda HK in respect of the Proposed Acquisition of the entire equity interest in Wanda Hotel Management, the principal terms and conditions of which are set out in this announcement.

As regards the remaining possible transactions under the Framework Agreement, the Company, Wanda Culture and Dalian Wanda Commercial are still in discussion regarding the structure and terms of the proposed acquisition of Wanda Travel and the proposed disposal of the Project Companies by the Group, and need time to formulate detailed implementation plan for such proposals (if materialise). Should the parties proceed to enter into the relevant definitive agreements, further announcement(s) will be made and the Company will comply with the applicable legal and regulatory requirements (including the requirements of the Listing Rules).

THE PROPOSED ACQUISITION

The Sale and Purchase Agreement

Date

26 September 2017

Parties

- (1) the Company, as purchaser; and
- (2) Wanda HK, a wholly-owned subsidiary of Dalian Wanda Commercial (a controlling shareholder of the Company, which is in turn majority-owned by Mr. Wang Jianlin and his family), as the vendor.

Interest to be acquired

Pursuant to the Sale and Purchase Agreement, Wanda HK has conditionally agreed to sell, and the Company has conditionally agreed to purchase the Sale Share, which represents the entire issued share capital of Wanda Hotel Management.

Acquisition Consideration

The Acquisition Consideration payable for the Sale Share is HK\$878,000,000 (subject to downward adjustment), which shall be paid by cash in the following manner:

- (a) the Company shall pay HK\$5,000,000, being the deposit (the “**Deposit**”) and the part payment towards the Acquisition Consideration, within ten (10) Business Days from the date of signing of the Sale and Purchase Agreement; and
- (b) the Company shall pay the remaining balance of the Acquisition Consideration on the date of expiration of the 12-month period from Completion or such earlier date as the Company may notify Wanda HK in writing.

Payment of the Acquisition Consideration (net of the Deposit paid) is to be deferred till the date of expiration of the 12-month period after Completion or such earlier date as the Company may notify Wanda HK in writing in respect of which interest at the rate of 4% per annum is payable by the Company to Wanda HK but no security is to be provided to Wanda HK. The Company will seek appropriate sources of financing to pay the Acquisition Consideration as soon as practicable.

The Acquisition Consideration was determined after arm’s length negotiations between the parties to the Sale and Purchase Agreement with reference to the historical financial performance of the Sale Companies and the preliminary estimation of the fair market value of the Sale Companies of HK\$894,112,400 as at 30 June 2017 pursuant to the preliminary valuation (to be finalised) carried out by the Independent Valuer adopting the market approach with reference to price-to-earnings ratios of listed companies engaged in businesses similar to that of the Sale Companies. To protect the Company’s interest in the Sale Companies, pursuant to the Sale and Purchase Agreement, Wanda HK shall procure that Wanda Hotel Management shall not declare, pay or make any dividends or other distributions at any time prior to Completion.

In the event that the fair market value of the Sale Companies under the final valuation report to be issued by the Independent Valuer is less than HK\$878,000,000, the Acquisition Consideration shall be adjusted downward to an amount equivalent to such lower fair market value of the Sale Companies under the final valuation report.

No adjustment shall be made to the Acquisition Consideration if the fair market value of the Sale Companies under the final valuation report to be issued by the Independent Valuer equals to or is higher than HK\$878,000,000.

In the event that the Acquisition Conditions Precedent have not been satisfied (or waived, as permitted) on or before the Long Stop Date or Completion does not take place in accordance with the terms of the Sale and Purchase Agreement, Wanda HK shall immediately refund the Deposit in full (without interest) to the Company.

Acquisition Conditions Precedent

The Sale and Purchase Agreement and the obligations of the Company to effect the Completion are subject to the satisfaction or (if applicable) waiver of the following Acquisition Conditions Precedent:

- (a) the purchase of the Sale Share according to the terms of the Sale and Purchase Agreement and all other transactions as contemplated under the Sale and Purchase Agreement having been approved by the Shareholders (who are not required to abstain from voting in such respect under the Listing Rules or otherwise) at the SGM;
- (b) the Hotel Management CCTs (as further explained in the section headed “*Implications under the Listing Rules*” below) and the proposed annual caps thereunder having been approved by the Shareholders (who are not required to abstain from voting in such respect under the Listing Rules or otherwise) at a general meeting of the Company;
- (c) the completion of the sale of assets (which include hotels) by Dalian Wanda Commercial to both R&F Properties and Sunac Real Estate as announced in the respective announcements of R&F Properties and Sunac China Holdings Limited, both dated 19 July 2017;
- (d) the Company having complied with all applicable requirements under the Listing Rules in respect of the transactions contemplated under the Sale and Purchase Agreement; and
- (e) (if required) all requisite waivers, consents and approvals from any third parties (including the Stock Exchange) in connection with the transactions contemplated under the Sale and Purchase Agreement required to be obtained on the part of the parties thereto having been granted and if such waivers, consents or approvals contain any conditions, such conditions are reasonably acceptable to the parties on which such conditions are imposed.

The parties may waive the Acquisition Conditions Precedent above (except that Acquisition Condition Precedent (c) above may only be waived by the Company by notice in writing to Wanda HK at any time after 30 June 2018 and Acquisition Conditions Precedent (a), (b) and (d) above are not capable of being waived in any event) in writing at any time on or before the Long Stop Date.

If the above Acquisition Conditions Precedent shall not have been fulfilled (or waived, where applicable), other than as a result of the default of Wanda HK and/or the Company, in full at or before 5:00 p.m. on the Long Stop Date, Wanda HK shall immediately refund the Deposit (without interest) to the Company and all rights and obligations of Wanda HK and the Company under the Sale and Purchase Agreement shall cease and terminate, save and except that certain administrative and miscellaneous provisions shall remain in full force and effect, and no party shall have any claim against the other save for claim (if any) in respect of such continuing provisions or any antecedent breach.

Completion of the Proposed Acquisition

Completion of the sale and purchase of the Sale Share shall take place at 4:30 p.m. on a date to be agreed between the Company and Wanda HK, provided that such date shall be no later than 15 Business Days after the date on which the last outstanding Acquisition Conditions Precedent shall have been fulfilled or waived (or such other date as the Company and Wanda HK shall agree in writing).

Grant of licence to use the Wanda Hotel Brands

All the hotels currently managed and operated by the Sale Companies are under the Wanda Hotel Brands, except Weifang Pullman Hotel, a hotel in China managed pursuant to a franchise arrangement with Pullman Hotel, an independent third party.

The Wanda Hotel Brands are owned by Dalian Wanda Group and its related parties, and Dalian Wanda Group and its related parties have granted licence to the Sale Companies for the use of the Wanda Hotel Brands and other related trademarks at nil consideration. Wanda HK, the vendor under the Proposed Acquisition, has undertaken in the Sale and Purchase Agreement to procure Dalian Wanda Group and its relevant related parties to continue to grant licence to the Sale Companies for the use of the Wanda Hotel Brands and other related trademarks at nil consideration after Completion.

Pre-completion undertakings by Wanda HK

Wanda HK undertakes to the Company to procure that the business as carried out by the Sale Companies will be operated in a normal and prudent basis and in the ordinary course of business prior to Completion and Wanda HK shall procure that none of the Sale Companies shall, prior to Completion, carry out certain material actions without the prior written consent of the Company.

Information about the Company

The Company and its subsidiaries are principally engaged in property development, property leasing, property management and investment holding activities and the existing real estate development projects of the Group include high-end complexes comprising hotels, residential apartments and retail areas. The Group plans to place a stronger focus on property management related business, including but not limited to expansion into hotel management and operation business.

Information about Wanda HK

Wanda HK is a limited liability company incorporated in Hong Kong and is principally engaged in the business of investment holding.

The Company understands from its current controlling Shareholders (including but not limited to Wanda HK (the vendor under the Proposed Acquisition), Dalian Wanda Commercial and Dalian Wanda Group) that they will not be engaged in hotel management and operation and other related consultancy and ancillary business upon Completion of the Proposed Acquisition.

Information about the Sale Companies

The Sale Companies are principally engaged in the business of hotel management and operation, and related consultancy and other ancillary business. It is currently expected that the Sale Companies will expand their business scope to include hotel design, hotel construction management and other ancillary business. Following the Completion, Wanda HK and its Affiliates will cease to be engaged in the business of hotel management and operation, and related consultancy and other ancillary business (except carrying out such business through the Group).

The Sale Companies currently manage and operate 65 hotels. As at the date of this announcement, the Sale Companies have also been contracted to manage and operate 13 additional hotels which are currently under construction and owned by independent third parties of the Company.

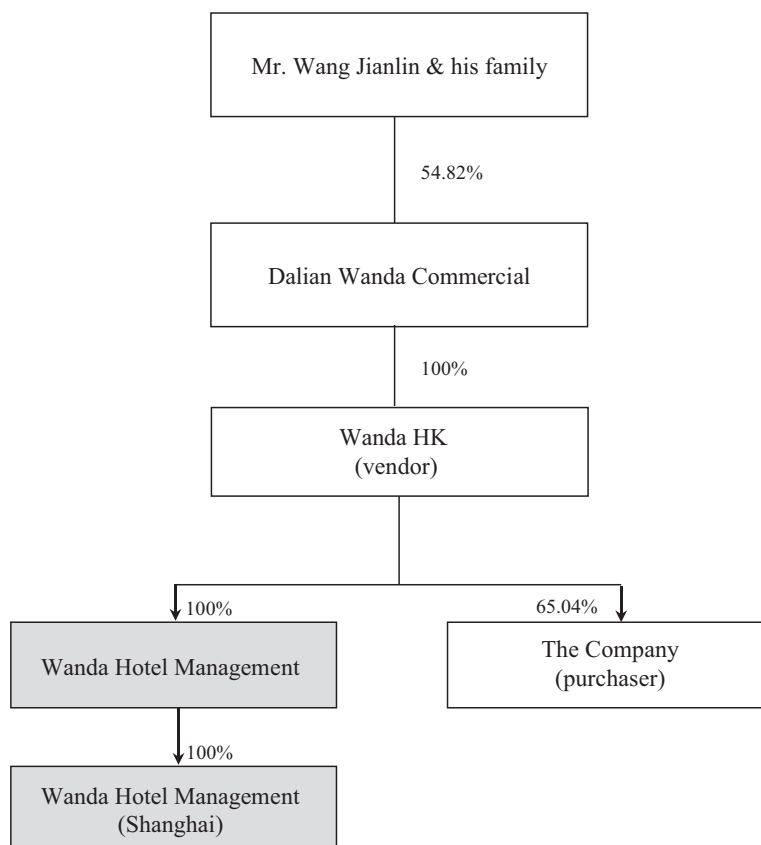
As at the date of this announcement, a significant part of revenue and profits of the Sale Companies since their commencement of business were contributed by hotels owned by Dalian Wanda Commercial and its other associates and a majority of the existing hotel management agreements between the Sale Companies and Dalian Wanda Commercial have an outstanding term of around 8 to 10 years. Nevertheless, the Company is given to understand by the Sale Companies that the Sale Companies endeavour to develop a more diverse client-base and aim to secure more and more independent third party clients. The Company will also work together with the Sale Companies and strive to achieve this objective with the Sale Companies following the completion of the Proposed Acquisition.

Further, Dalian Wanda Commercial has agreed to sell to (i) R&F Properties all its interest in 52 city hotels which are currently managed and operated by the Sale Companies and 2 city hotels which are under construction and have signed management contracts with the Sale Companies (where 53 of such city hotels are wholly-owned by Dalian Wanda Commercial and one of such city hotels is 70% owned by Dalian Wanda Commercial); and (ii) Sunac Real Estate its 91% interest in 7 hotels which are currently managed and operated by the Sale Companies. Such hotels will continue to be managed by the Sale Companies after the completion of such sale. The hotel management contracts regarding the 54 hotels to be sold to R&F Properties by Dalian Wanda Commercial and which are managed and operated by the Sale Companies shall be of a term of not more than 19 years and R&F Properties shall grant priority to the Sale Companies for the renewal of the such hotel management contracts within 6 months before the expiry of the relevant hotel management contracts. The hotel management contracts regarding the 7 hotels to be sold to Sunac Real Estate by Dalian Wanda Commercial and which are managed and operated by the Sale Companies shall have a term of 20 years, and unless otherwise objected by the Sale Companies, such hotel management contracts shall be automatically renewed for a further term of five years after the expiry of the initial term of 20 years.

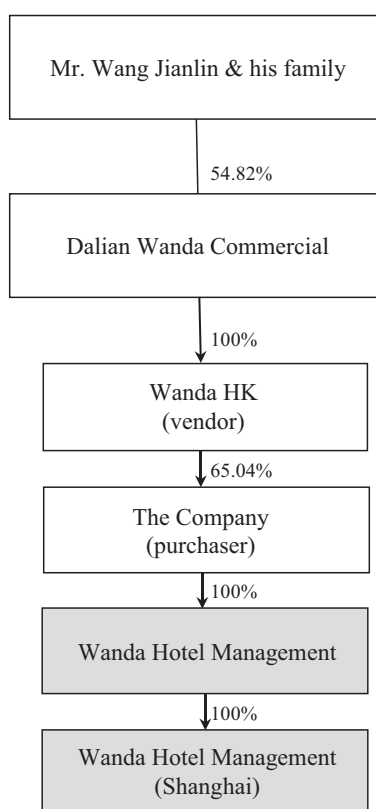
As R&F Properties and Sunac Real Estate are independent of the Company and its connected persons, respectively, and the above hotels to be sold to R&F Properties and Sunac Real Estate constitute a majority of the hotels that the Sale Companies currently manage and operate, the Sale Companies will no longer be concentrating on managing hotels owned by Dalian Wanda Commercial (the Company's controlling shareholder) or any of its other associates upon the completion of the sale of the aforesaid hotels. However, the Shareholders should note that the sale of hotels to R&F Properties is subject to satisfaction of certain conditions and may or may not proceed.

The following diagrams illustrate a simplified corporate and shareholding structure of the Sale Companies (i) as at the date of this announcement; and (ii) immediately after the Completion.

The corporate structure of the Sale Companies as at the date of this announcement



Immediately after the Completion of the Proposed Acquisition



Financial information of the Sale Companies

Set out below are the highlights of the unaudited consolidated financial information of the Sale Companies for the two financial years ended 31 December 2015 and 2016 and the six months ended 30 June 2017 which were prepared under the Hong Kong Generally Accepted Accounting Principle:

	Six months ended 30 June 2017 (unaudited) (HK\$)	Year ended 31 December 2016 (unaudited) (HK\$)	Year ended 31 December 2015 Note (unaudited) (HK\$)
Revenue	149,944,119	178,382,850	—
Profits (before taxation and extraordinary items)	62,706,303	41,358,559	-61
Profits (after taxation and extraordinary items)	46,392,557	30,921,921	-61
Total asset	234,951,278	231,602,562	748
Net asset value	155,225,514	26,374,538	-53

Note: Wanda Hotel Management was incorporated in Hong Kong on 30 October 2015 and Wanda Hotel Management (Shanghai) was incorporated in the PRC on 1 March 2016.

The profits of the Sale Companies for the six months ended 30 June 2017 being higher than that of the full year of 2016 was mainly due to the following reasons:—

1. the Sale Companies commenced their trial and preparation stage of their business since their respective incorporation. However, the Sale Companies commenced a majority of their hotel management and operation business only from March 2016 onward, resulting in only nine business operation months in 2016;
2. increase in the number of hotels under management and operation by the Sale Companies; and
3. increased management fee income received during the six months ended 30 June 2017 as a result of the improved financial performance of the hotels under management.

Reasons and benefits of the Proposed Acquisition

The Sale Companies, together, are a leading hotel services provider in China, with comprehensive capabilities in hotel management and operation. They currently manage and operate 65 hotels in China and as at the date of this announcement, have been contracted to manage 13 additional hotels which are currently under construction, including 2 hotels under construction in Malaysia and Turkey. The current core management team of the Sale Companies comprises over 10 members and each of them has over 10 years of solid industry experience in hospitality development and management (including in the area of hotel design, hotel operation management, brand management and marketing and catering management, etc.). Prior to joining the Sale Companies, members of the management team of the Sale Companies had experience in managing luxury five-star hotels in China and abroad (including but not limited to hotels under the brands of Shangri-La, InterContinental, Hilton, Sheraton, Rosewood and Sofitel). The Company believes that the extensive experience and expertise of the management team of the Sale Companies will assist the Sale Companies to become one of the leading and most prestige hotel operators in the industry.

China tourism industry has been supported by government policies and experienced unprecedented growth in recent years. The Group expects demand for 5-star hotels to increase in line with domestic tourist traffic and economic growth. The Proposed Acquisition allows the Company to capitalize on this opportunity. The Sale Companies can also raise its profile through the Company's Hong Kong listing platform to gain access to international investors and capital. Since hotel business has been the highlight of the development projects the Group, the hotel management and operation business of the Sale Companies are closely related to the existing principal business of the Company and the Proposed Acquisition is further development and expansion of the business of the Group and is expected to generate synergies with and complement the existing principal business of the Group. Currently, the Group has management expertise and experience in the hotel industry, primarily in overseas (North America, Europe and Australia) project and business development. The Sale Companies have the talents and expertise in hotel management and operation. It is expected that the Group can leverage and rely on the Sale Companies' expertise and experience for the management and operation of the hotels to be developed by the Group under the Group's existing property projects, while the Sale Companies can leverage on the Group's international network with hotel property owners, professional brokers/agents and other overseas intermediaries to accelerate its international expansion. The teams of talents can integrate and share with each other their knowhow and network regarding the hotel industry. Further, it is currently expected that the Sale Companies will expand their business scope to include hotel design, hotel construction management and the Sale Companies have teams with the relevant expertise. It is therefore expected that the Sale Companies can contribute and be involved in the hotel development of the existing property projects of the Group.

The Board (excluding the independent non-executive Directors whose views will, after receiving the advice from the Independent Financial Adviser, be set out in the letter from the Independent Board Committee in the circular to be despatched to the Shareholders) is of the view that the terms of the Proposed Acquisition are fair and reasonable and the Proposed Acquisition is in the interests of the Company and the Shareholders as a whole.

Implications under the Listing Rules

The applicable percentage ratios of the transactions contemplated under the Sale and Purchase Agreement exceed 25% but are less than 100%.

As at the date of this announcement, Dalian Wanda Commercial is an indirect holding company and a controlling shareholder of the Company, and hence is a connected person of the Company under the Listing Rules. Since Wanda HK is directly and wholly-owned by Dalian Wanda Commercial, Wanda HK is an associate of Dalian Wanda Commercial, and therefore also a connected person of the Company under the Listing Rules. Accordingly, the Proposed Acquisition contemplated in the Sale and Purchase Agreement between the Company and Wanda HK constitutes a major and non-exempt connected transaction of the Company under Chapters 14 and 14A of the Listing Rules, and will be subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

Any existing hotel management contracts between the Sale Companies and any hotels owned by Dalian Wanda Commercial or its other associates (including those in respect of the hotels which will be transferred to R&F Properties and Sunac Real Estate if the completion of such transfers does not occur before the Completion) which will continue after the Completion (i.e. when the Sale Companies become wholly-owned subsidiaries of the Company) will constitute continuing connected transactions (the “**Hotel Management CCTs**”) between the Group and Dalian Wanda Commercial or its relevant associates upon Completion. The actual percentage ratios of these possible Hotel Management CCTs may vary subject to the timing and final outcome of the respective sales of hotels by Dalian Wanda Commercial to R&F Properties and Sunac Real Estate, but it is currently expected that percentage ratios of these possible Hotel Management CCTs will exceed 5%, and these Hotel Management CCTs will be subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company will comply with all Listing Rules requirements applicable to these Hotel Management CCTs, including publishing a separate announcement and circular and obtaining Independent Shareholders' approval at a general meeting of the Company before Completion.

The grant of licence from Dalian Wanda Group and its related parties to Sale Companies for the use of the Wanda Hotel Brands and other related trademarks at nil consideration will constitute continuing connected transactions upon Completion which are fully exempt from the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.76(1)(a) of the Listing Rules.

The deferred payment of Acquisition Consideration (net of the Deposit) will constitute financial assistance from Wanda HK as a connected person to the Company. As such financial assistance will be conducted on normal commercial terms or better with no security being given by the Company, such financial assistance will constitute a connected transaction of the Company which is fully exempt from the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.90 of the Listing Rules.

GENERAL

The Independent Board Committee

The Independent Board Committee comprising all independent non-executive Directors, namely Mr. Liu Jipeng, Dr. Xue Yunkui and Mr. Zhang Huaqiao, has been formed to advise the Independent Shareholders in relation to the Sale and Purchase Agreement and the transactions contemplated thereunder, including the Proposed Acquisition, respectively. An Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Proposed Acquisition.

The SGM

The SGM will be held to consider and, if thought fit, pass the resolution(s) to approve, among others, the Sale and Purchase Agreement and the transactions contemplated thereunder. Wanda HK and its associates shall abstain from voting on the relevant resolution(s) to be proposed at the SGM to approve the Proposed Acquisition. As at the date of this announcement, Wanda Overseas, being an associate of Wanda HK, is interested in 3,055,043,100 Shares representing approximately 65.04% of the issued share capital of the Company as at the date of this announcement, and will abstain from voting on such resolution(s).

Despatch of circular

A circular containing, among other things, (i) details of the Proposed Acquisition; (ii) the advice and recommendation of the Independent Board Committee; (iii) the advice and recommendation of the Independent Financial Adviser; and (iv) a notice convening the SGM and a proxy form will be despatched to the Shareholders on or before 19 October 2017.

Shareholders and potential investors should note that the Proposed Acquisition is subject to fulfillment of the conditions precedent set out in the Sale and Purchase Agreement, and may or may not proceed to completion. Further, the proposed acquisition of Wanda Travel and the proposed disposal of the Project Companies as referred to in the Company's announcement dated 9 August 2017 concerning the Framework Agreement may or may not proceed and the final terms, which are still subject to further discussion amongst the parties, have yet to be finalised. Shareholders and potential investors are advised to exercise caution in dealing in the securities of the Company.

DEFINITIONS

In this announcement the following words have the following meanings unless the context requires otherwise:

“Acquisition Conditions Precedent”	the conditions precedent to the completion of the transactions contemplated under the Sale and Purchase Agreement;
“Acquisition Consideration”	the consideration for the acquisition of the Sale Share, being the sum of HK\$878,000,000 (subject to downward adjustment);
“Affiliate”	with respect to any specific person: (a) any other person that directly or indirectly controls, or is controlled by, or is under common control with, such specific person; and (b) without limiting the generality of the foregoing, includes any limited or general partner, venture capital, investment vehicle or investment fund or member of such person now or hereafter existing that is controlled by or under common control with such specific person, but shall exclude the Sale Companies. For the purpose of this definition, (i) with respect to any specific person which is body corporate, “control” of such body corporate shall mean the exercise or control the exercise of more than 50% of the voting power at a general meeting of the body corporate, or control the composition of a majority of the board of directors of the body corporate; and (ii) with respect to any specific person which is a non-body corporate, “control” of such non-body corporate shall mean the power of any other person or group of persons, directly or indirectly, to secure that the affairs of the non-body corporate are conducted in accordance with the wishes of such other person or group of persons;
“Board”	the board of Directors;
“Business Day”	means a day other than a Saturday or Sunday on which commercial banks are open for business in Hong Kong and the PRC, or a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.;
“Company”	Wanda Hotel Development Company Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Stock Exchange;

“Completion”	completion of the transactions contemplated under the Sale and Purchase Agreement in accordance with the terms thereof and, where the context requires, also means the performance by the parties thereto of their respective obligations thereunder;
“connected person”	has the meaning given to it under the Listing Rules;
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules;
“Dalian Wanda Commercial”	大連萬達商業地產股份有限公司 (Dalian Wanda Commercial Properties Co., Ltd.*), a company established in the PRC with limited liability and controlled by Dalian Wanda Group, a controlling shareholder of the Company;
“Dalian Wanda Group”	大連萬達集團有限公司 (Dalian Wanda Group Co., Ltd*), a joint stock company incorporated in the PRC with limited liability, and a controlling shareholder of the Company;
“Directors”	directors of the Company;
“Framework Agreement”	the non-binding framework agreement entered into between the Company, Wanda Culture and Dalian Wanda Commercial on 9 August 2017;
“Group”	collectively, the Company, and any direct and indirect subsidiary of the Company, including the Subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Board Committee”	the independent committee of the Board, comprising Mr. Liu Jipeng, Dr. Xue Yunkui and Mr. Zhang Huaqiao, being the independent non-executive Directors, established to advise the Independent Shareholders on the Proposed Acquisition;
“Independent Financial Adviser”	the independent financial adviser to be engaged by the Company for the purpose of advising the Independent Board Committee and the Independent Shareholders in relation to the Proposed Acquisition;
“Independent Shareholders”	the Shareholders of the Company, other than Wanda HK and its associates, including Wanda Overseas, who are required to abstain from voting at the SGM to be convened to approve the Proposed Acquisition;

“Independent Valuer”	Crowe Horwath First Trust Appraisal Pte Ltd;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Long Stop Date”	30 June 2019 (or such other date as Wanda HK and the Company may agree in writing);
“PRC”	the People’s Republic of China, which for the purposes of this announcement excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“Project Companies”	Wanda Properties Investment Limited, Wanda International Real Estate Investment Co. Limited, Wanda Americas Real Estate Investment Co., Limited and Wanda Australia Real Estate Co., Limited, all of which are non-wholly owned subsidiaries of the Company;
“Proposed Acquisition”	the proposed acquisition of the Sale Share by the Company from Wanda HK and other transactions contemplated under the Sale and Purchase Agreement pursuant to the terms and conditions therein;
“R&F Properties”	Guangzhou R&F Properties Co., Ltd., a joint stock limited company incorporated in the PRC with limited liability, the H-shares of which are listed on the main board of the Stock Exchange (stock code : 2777);
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 26 September 2017 entered into between the Company and Wanda HK in relation to, among other things, the Proposed Acquisition;
“Sale Companies”	shall mean (1) Wanda Hotel Management; and (2) Wanda Hotel Management (Shanghai); and their other direct or indirect subsidiaries from time to time;
“Sale Share”	one share of Wanda Hotel Management, representing 100% of the issued shares of Wanda Hotel Management, which is owned by Wanda HK as at the date of this announcement and any further shares of the Wanda Hotel Management which may be issued prior to the transfer of the entire share capital of Wanda Hotel Management;

“SGM”	a special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Proposed Acquisition and other transactions as contemplated under the Sale and Purchase Agreement;
“Shares”	ordinary shares of par value HK\$0.10 each in the share capital of the Company;
“Shareholders”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	shall have the meanings ascribed to it in Rule 1.01 of the Listing Rules;
“Sunac Real Estate”	融創房地產集團有限公司 (Sunac Real Estate Group Co., Ltd.*), a company established in the PRC and a wholly-owned subsidiary of Sunac China Holdings Limited (the share of which are listed on the main board of the Stock Exchange (stock code : 1918));
“Wanda Culture”	北京萬達文化產業集團有限公司 (Beijing Wanda Culture Industry Group Co., Ltd*), a company established in the PRC;
“Wanda HK”	Wanda Commercial Properties (Hong Kong) Co. Limited (萬達商業地產(香港)有限公司), a company incorporated in Hong Kong with limited liability;
“Wanda Hotel Brands”	the hotel brands of Wanda Reign, Wanda Vista, Wanda Realm and Wanda Jin owned by Dalian Wanda Group and its related parties;
“Wanda Hotel Management”	Wanda Hotel Management (Hong Kong) Co. Limited (萬達酒店管理(香港)有限公司), a company incorporated in Hong Kong with limited liability on 30 October 2015 and has commenced business after the date of incorporation;
“Wanda Hotel Management (Shanghai)”	萬達酒店管理(上海)有限公司 (Wanda Hotel Management (Shanghai) Co. Limited*), a company incorporated in the PRC on 1 March 2016 and has commenced business after the date of incorporation;

“Wanda Overseas”	Wanda Commercial Properties Overseas Limited, a company incorporated in the British Virgin Islands with limited liability;
“Wanda Travel”	萬達文化旅遊創意集團有限公司 (Wanda Culture Travel Innovation Group Co., Limited), a company incorporated in Hong Kong; and
“%”	per cent.

* *English translation is directly translated from Chinese and is for illustrative purpose only.*

By order of the Board
Wanda Hotel Development Company Limited
Ding Benxi
Chairman

Hong Kong, 26 September 2017

As at the date of this announcement, Mr. Ding Benxi (Chairman), Mr. Qi Jie and Mr. Qu Dejun are the non-executive Directors; Mr. Liu Chaohui is the executive Director; and Mr. Liu Jipeng, Dr. Xue Yunkui and Mr. Zhang Huaqiao are the independent non-executive Directors.