



**China Vanke Co., Ltd.**

**Announcement Regarding  
Implementation Plan for B Shares' Cash Options  
Under  
Change of Listing Location  
of Domestically Listed Foreign Shares  
for Listing & Trading on the Main Board of  
The Stock Exchange of Hong Kong Limited by Way of Introduction**

**Important reminder:**

- 1. Suspension of trading in the Company's B Shares commences from 4 June 2014 onward.**
- 2. The execution price of cash option for the Company's B Shares is HK\$12.39 per share. Exercise of cash option means that the holder of the B Shares disposes of the Company's B Shares at the execution price to gain cash consideration. If the investor exercises the cash options, he/she will no longer hold the corresponding amount of Vanke B Shares eligible for filing for the cash options execution.**
- 3. B Shareholders who choose to continue to hold the Company's B Shares until such shares change their listing location for listing and trading on the main board of SEHK need not take any action during the period for filing for cash option execution, and need not to exercise B Share cash options.**
- 4. Should the number of shares filed for cash option execution exceed one-third of the total number of B Shares, that is more than 438,318,489 shares have been filed for cash option execution, this proposal will not be implemented, and there will be no clearing and settlement of cash options (the application for the cash option will become invalid). Vanke's B Shares shall resume trading and continue to be traded on the B share market of SZSE.**

The proposal for change of listing location of domestically listed foreign shares of the Company for listing and trading on the main board of The Stock Exchange of Hong Kong Limited (“SEHK”) by way of introduction was considered and approved by the 2013 first extraordinary general meeting of the Company on 4 February 2013. On 3 March 2014, The Company received the “Reply regarding approval of China Vanke Co., Ltd’s listing on the main board of SEHK” issued by China Securities Regulatory Commission (Zhengjian Xu Ke [2014] No. 239), approving the change of listing location of the Company’s 1,314,955,468 existing domestically listed foreign shares for listing and trading on the main board of SEHK by way of introduction. On 21 May 2014, the Company obtained from SEHK a “passing of the listing committee hearing” letter regarding the application for change of listing location of the Company’s domestically listed foreign shares for listing and trading on the main board of SEHK by way of introduction.

Pursuant to the Company’s application, trading in the Company’s B Shares will be suspended from 4 June 2014 onwards. The trading day before the suspension, i.e. 3 June 2014 will be the last trading day for the Company’s B Shares. Thereafter B Shares can no longer be traded and will begin the process for distribution, filing for exercise, settlement and clearing of cash options. On 6 June 2014, cash options will be deposited to the accounts of B Shareholders other than GIC and Value Partners which have undertaken to give up their right to exercise the cash options.

As entrusted by the Company’s cash option providers – China Resources Holdings, GIC and Value Partners, the Company herewith announce matters in relation to the implementation plan for cash options as follows. Investors who wish to learn about the details on change of listing location of domestically listed foreign shares for listing and trading on the main board of SEHK by way of introduction shall refer to the full version of the “proposal for change of listing location of domestically listed foreign shares of China Vanke Co., Ltd. for listing and trading on the main board of The Stock Exchange of Hong Kong Limited by way of introduction” and relevant documents published by the Company on 19 January 2013 and subsequent announcements on [www.cninfo.com.cn](http://www.cninfo.com.cn) and the website ([www.szse.cn](http://www.szse.cn)) of Shenzhen Stock exchange (“SZSE”), and shall pay attention to the relevant announcements to be made by the Company from time to time.

**Special reminder:**

- 1. Regarding the application for change of listing location of the Company's domestically listed foreign shares for listing and trading on the main board of SEHK by way of introduction, the Company received approval from China Securities Regulatory Commission on 3 March 2014, and obtained from SEHK a "passing of the listing committee hearing" letter on 21 May 2014.**
- 2. Pursuant to the Company's application, trading in the Company's B Shares will be suspended from 4 June 2014 onwards. The trading day before the suspension, i.e. 3 June 2014 will be the last trading day for the Company's B Shares. Thereafter B Shares can no longer be traded and will begin the process for distribution, filing for exercise, settlement and clearing of cash options.**
- 3. In order to fully protect the legitimate rights and interests of the Company's B Shareholders and to fulfil the purpose of converting the listing location of the Company's domestically listed foreign shares for listing and trading on the main board of SEHK by way of introduction, the Company has arranged the following Third Parties, China Resources Holdings, GIC and Value Partners, to offer cash option to all B Shareholders. The exercise price of cash option is HK\$12.39 per share. GIC and Value Partners have undertaken to give up their rights to exercise the cash option of 283,511,314 B Shares in the Company (representing 21.56% of the total number of the Company's B Shares) being the aggregate amount of their shareholding.**

**Save for GIC and Value Partners, which have undertaken to give up their rights to exercise cash option, other B Shareholders under this proposal may choose to file for cash option execution to transfer their B Shares in part or full to the third party providers of the cash option at HK12.39 per share during the period for filing for cash option execution. For B Shareholders who have not exercised their cash options or have not effectively exercised their cash options, they will continue to hold Vanke's B Shares until such shares change their listing location for listing and trading on the main board of SEHK. Investors are hereby advised to cautiously evaluate the risks of exercising their cash options and the risks of not exercising**

**their cash options.**

**Pursuant to the resolution regarding the proposal for change of listing location of domestically listed foreign shares of the Company for listing and trading on the main board of The Stock Exchange of Hong Kong Limited by way of introduction being considered and approved at the 2013 first extraordinary general meeting of the Company, the Company's A Shareholders are not entitled to cash options.**

- 4. B Shareholders who choose to continue to hold the Company's B Shares until such shares change their listing location for listing and trading on the main board of SEHK need not take any action during the period for filing for cash option execution, and need not to exercise B Share cash options.**
  
- 5. Pursuant to the Rules Governing the Listing of Securities on SEHK ("Listing Rules"), China Resources and GIC, being third party cash option providers for this proposal, are connected persons of the Company. The Company's shares obtained through the cash options provided by the aforementioned parties shall not be taken into account in the calculation of the public float. As such, even with a waiver from SEHK allowing the Company to have a minimum public float of 8%, China Resources Holdings and GIC, together can only acquire an amount of B Shares not exceeding 3.45% of the Company's total share capital, equivalent to approximately one-third of the total number of B Shares; otherwise the Company will not be able to satisfy the listing requirement of SEHK. Owing to the aforesaid, upon the closing of the filing of cash option execution, should the number of shares filed for cash option execution exceed one-third of the total number of B Shares, that is more than 438,318,489 shares have been filed for cash option execution, this proposal will not be implemented, and there will be no clearing and settlement of cash options (the application for the cash option will become invalid). Vanke's B Shares shall resume trading and continue to be traded on the B Share market of SZSE.**
  
- 6. It is expected that the registration date and date of distribution of the Company's B Share cash options will be the third business day after the last trading day, that is 6 June 2014. The period for filing for B Share cash options will start from the first business day to the fifth business day after the registration date and date of**

distribution, that is during 9:30-11:30 am and 1:00-3:00 pm on each business day from 9 June 2014 to 13 June 2014. The closing time for filing will be 3:00 pm on 13 June 2014. For manual submission, the arrival time of materials sent by special delivery or postal services shall be before the closing time for filing. During the filing period, trading of the Company's B Shares will be suspended.

7. Investors who file for cash option execution through the trading system of SZSE and through manual submission method shall use the B Share accounts to file for cash option execution. Investors who have several B Share accounts shall file separately under the respective B Share accounts. An investor holding Vanke's B Shares through a B Share account under several sales units shall separately file for the Company's B Shares he/she holds in the respective sales unit.

Holders or related obligee of B Shares under judicial asset freezing, and holders or related obligee of B Shares under pledge or judicial asset freezing due to various reasons before the implementation of cash option shall deal with such shares in lawful manner in due course, if they intend to exercise their cash options.

8. With respect to the implementation of cash options under the proposal, investors are required to pay a share transfer fee of 0.500% of the transaction amount of the shares transferred.
9. Investors who have filed for cash option execution online may cancel their application for cash option execution through the trading system of SZSE within the filing period on the day of filing. Starting from the day immediately after the filing, investors shall not be able to cancel their application for cash option execution made on the previous day through the trading system of SZSE.
10. Should a B Shareholder takes action that may result in the change of the sales unit (the sales department of a securities company) of the custodian with which the B Shareholder maintains his/her account between the distribution date of cash options and the closing time for filing for cash option execution, the investor will be unable to file for execution using the submission method of the trading system of SZSE. As such, B Shareholders are advised to avoid any actions that may result in the change

of the sales unit (the sales department of a securities company) with which B Shareholders maintain their accounts during the aforesaid period. If a B Shareholder has taken action that results in the change of the sales unit (the sales department of a securities company) with which the B Shareholder maintains his/her account during this period, he/she needs to file for cash option execution using the Company's manual submission method.

11. Starting from the day of distribution of the cash option, i.e. 9:30 am on 6 June 2014, the Shenzhen branch of China Securities Depository and Clearing Corporation Limited will begin accepting application for the change of/to overseas custodian from overseas shareholders of the Company's B Shares.

Pursuant to the requirements of the Listing Rules, the number of overseas public shareholders of Company's H Shares should not be less than 300 at the time of listing. To facilitate smooth implementation of the listing of the Company's H Shares, the Company will bear handling fee for change of/to overseas custodians by the overseas B Shareholders who effectively submit valid applications for change of/to overseas custodians by 12:00 noon, 18 June 2014 (determined by the time of acknowledgement of arrival of the materials). For applications for change of/to overseas custodian submitted thereafter, the contingent handling fee will be borne by the investors.

Prior to applying for change of custodians across the border, overseas investors should open a securities trading account with a securities company or custodian bank in Hong Kong at his / her choice and provide information in relation to the securities trading account at the time of application for change of custodian. The investor should bring along his / her identification documents to the sales department of the securities company at which he / she is opening an account and complete the Application Form for Change of/to Overseas Custodians for H Shares. The Application Form reviewed by the sales department of the securities company and sealed with its corporate chop will be submitted to China Clearing Shenzhen Branch.

The Application Form for Change of/to Overseas Custodians submitted before the

listing of the Company's H Shares will be processed together by China Clearing Shenzhen Branch in the trading system of Hong Kong Securities Clearing Company Ltd. after the completion of the clearing and settlement of the cash options, and the conversion of B Shares held by investors to H Shares. Overseas investor should ensure that the number of shares in his / her securities account equals or exceeds the number of shares applying for change of/to overseas custodians. The change of/to overseas custodians cannot be proceeded if otherwise.

For the details regarding the operations of the change of/to overseas custodians, please refer to "Shenzhen Branch of China Securities Depository and Clearing Corporation Limited B-to-H Share Conversion Domestic Operations Guide" and "Shenzhen Branch of China Securities Depository and Clearing Corporation Limited B-to-H Share Conversion Domestic Operations Guide for Investors" distributed by the Company on 28 May 2014.

12. Upon the completion of the execution of the cash options and confirmation of the Company's H Shares in the hands of the overseas public among at least 300 holders with trading account in Hong Kong, the Company will apply to SZSE for the delisting of its B Shares, which will be converted into H Shares and listed and traded on the main board of SEHK after the Company receives the official approval letter from SEHK for the listing of the Company's H Shares. There is still uncertainty as to whether the Company will obtain SEHK's official approval letter for the listing of the Company's H Shares. Investors are reminded to pay attention to the investment risks.
13. This announcement is only intended for collaboration on the detailed procedures and the relevant matters of application for execution of the cash options for the Company's B Shareholders and does not constitute a suggestion for filing for the cash options. Investors are reminded to pay attention to the investment risks.

## Definition

Unless otherwise suggested in the content, meaning of the following abbreviations are applied in this proposal:

Vanke/ The Company/Company	refers to	China Vanke Co., Ltd.
Vanke B Shares/B Shares	refers to	Domestically issued listed foreign shares of Vanke
Vanke A Shares/A Shares	refers to	Issued ordinary shares of Vanke denominated in Renminbi
Vanke H Shares/ H Shares	refers to	Overseas listed foreign shares of Vanke following Vanke B Shares' change of listing location and become listed and traded on the Main Board of SEHK
This proposal	refers to	Proposal for Change of Listing Location of Domestically Listed Foreign Shares of China Vanke Co., Ltd. And Listing & Trading on the Main Board of The Stock Exchange of Hong Kong Limited by Way of Introduction published on 19 January 2013
China Resources	refers to	China Resources (Holdings) Co., Ltd. and (or) its subsidiaries
GIC	refers to	Government of Singapore Investment Corporation Pte. Ltd.
Value Partners	refers to	Value Partners Limited and (or its subsidiaries)
Third Parties	refers to	China Resources, GIC, Value Partners
CSRC	refers to	China Securities Regulatory Commission
China Clearing	refers to	China Securities Depository and Clearing Corporation Limited
China Clearing Shenzhen Branch	refers to	Shenzhen Branch of China Securities Depository and Clearing Corporation Limited
SZSE	refers to	Shenzhen Stock Exchange
SEHK	refers to	The Stock Exchange of Hong Kong Limited
Listing rules of SEHK	refers to	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
CITIC (HK) Brokerage		CITIC Securities Brokerage (HK) Limited



## **II. Shareholders who are eligible to apply for execution of the cash options**

The registration date of the Company's B Share cash options will be the third business day after settlement and clearing of the last trading day before suspension (3 June 2014); that is 6 June 2014. Save for GIC and Value Partners, which have undertaken to give up their rights to exercise that cash options, other B Shareholders on the registration date may choose to file for cash option execution pursuant to the requirement of this announcement.

For those B Shares of the Company successfully filed for cash option execution, the Third Parties will pay a cash consideration to the shareholders who file for cash option execution.

Pursuant to the resolution regarding the proposal for change of listing location of domestically listed foreign shares of the Company for listing and trading on the main board of The Stock Exchange of Hong Kong Limited by way of introduction was considered and approved by the 2013 first extraordinary general meeting of the Company, the Company's A Shareholders are not entitled to cash options.

## **III. Basic terms for the cash options**

### **(I) Code and abbreviation for the cash options**

Code of option: 238903

Abbreviation of option: Vanke WKP1

### **(II) Target securities of the cash options**

Code of target securities: 200002

Short name of target securities: Vanke B

### **(III) Distribution method of cash option**

Distribute without charges.

**(IV) Arrangement for listing of cash options**

Not for listing.

**(V) Distribution proportion of cash options**

B Shareholders of the Company will be granted a cash option for each B Share held. The minimum unit of stock for the application for execution of cash option is 1 share.

**(VI) Exercise proportion of cash option**

Holder of relevant rights with a cash option is entitled to sell 1 share of Vanke B Share to the Third Party.

**(VII) Exercise price of cash option**

Exercise price of cash option is of HKD 12.39 per share.

As stipulated in the Proposal for Change of Listing Location of Domestically Listed Foreign Shares of China Vanke Co., Ltd. And Listing & Trading on the Main Board of The Stock Exchange of Hong Kong Limited by Way of Introduction published by the Company on 19 January 2013: the consideration of the cash option has been determined at HK\$13.13 per share, representing a 5% premium to the closing price of the Company's B Shares on the day immediately preceding the suspension of trading (25 December 2012) of HK\$12.50 per share. In case of any exclusion of rights or dividend to the Company's shares between the date of announcement of the Board's discussion on the resolutions regarding this Proposal and the execution period of the cash option of Vanke B Shares, the execution price of such cash option shall be adjusted accordingly.

According to China Vanke Co., Ltd. Announcement Regarding the Implementation of the Proposal on Dividend Distribution for the Year 2012 published by the Company on 8 May 2013, the implementation of the proposal on the profit distribution for the year 2012 was confirmed and a cash dividend of RMB1.8 (including tax) for every 10 existing shares held would be distributed to all the shareholders. Upon the completion of the implementation of profit distribution, the execution price of the cash option was adjusted, according to the relevant requirements, to reflect the amount of exclusion for dividend, which was translated into HK\$0.22 per share., calculated at  $\text{HK\$1.00} = \text{RMB0.8081}$ , being the median price of the

exchange rates announced by the People's Bank of China on the first business day immediately after the relevant profit distribution resolutions were passed at the Company's 2012 annual general meeting (21 March 2013). The aforementioned consideration of cash options was therefore adjusted to HK\$12.91 per share.

According to China Vanke Co., Ltd. Announcement Regarding the Implementation of the Proposal on Dividend Distribution for the Year 2013 published by the Company on 28 April 2014, the implementation of the proposal on the profit distribution for the year 2013 was confirmed and a cash dividend of RMB4.1 (including tax) for every 10 existing shares held would be distributed to all shareholders. Upon the completion of the implementation of profit distribution, the execution price of the cash option was adjusted, according to the relevant requirements, to reflect the amount of exclusion for dividend, which was translated into HK\$0.52 per share, calculated at  $\text{HK\$1.00} = \text{RMB0.7931}$ , being the median price of the exchange rates announced by the People's Bank of China on the first business day immediately after the relevant profit distribution resolutions were passed at the Company's 2013 annual general meeting (31 March 2014). The aforementioned consideration of cash options was therefore adjusted to HK\$12.39 per share.

#### **(VIII) Distribution of cash option**

The Third Parties will distribute cash options to B Shareholders other than GIC and Value Partners, which have undertaken to give up their rights to exercise cash option, on the registration date of the Company's B Share cash options (6 June 2014). Shall the securities account of a B-share holder under the custody of two or more trading units (the sales departments of securities companies) on the registration date for the cash options (6 June 2014), and is holding B Shares in the Company, the cash options will be distributed according to the number of B Shares being held in each trading unit of the securities account on the registration date of the Company's B Share cash options.

#### **(IX) Determination of the amount of cash option**

Save for 283,511,314 B Shares held by GIC and Value Partners, which have undertaken to give up their rights to exercise cash option (representing 21.56% of the total number of the

Company's B Shares), each shareholders will be distributed an amount of cash options equal to the amount of his/her B Shareholding. The total amount of the Company's B Shares cash options amounts to 1,031,444,154.

**(X) Filing period of cash option**

The period for online filing for B Share cash option execution will be 9:30-11:30 am and 1:00-3:00 pm on each business day between 9 June 2014 and 13 June 2014. The closing time for filing shall be 3:00 pm on 13 June 2014. For manual submission delivery time, the on arrival time of materials sent by postal services shall be within the filing period.

**(XI) Filing of cash option**

According to the Notice on Conducting Adequate Technical Preparations Regarding Cash Options for B Shares published by Shenzhen Stock Exchange on 17 September 2012, B Shareholders who exercise cash options for B Shares through securities companies, the way of filing for execution shall be the same as that filing for cash options of A Shares.

Whether a filing for execution of cash options is conducted via the trading system of the Shenzhen Stock Exchange or via manual submission upon application to the issuer, an investor shall file for execution of cash options via his/her B Shares securities account. For an investor with more than one B Shares accounts, he/she shall apply separately for each of his/her B Share accounts. For an investor holding the Company's B Shares in more than one trading units under one B Shares account, he/she shall apply separately for the B Shares held in different trading units.

Holders or related obligee of B Shares under judicial asset freezing, and holders or related obligee of B Shares under pledge or judicial asset freezing due to various reasons before the implementation of cash option shall deal with such shares in lawful manner in due course, if they intend to exercise their cash options.

**(XII) Implementation fee of cash option**

With respect to the implementation of cash options, investors are subject to a share transfer fee of 0.500‰ of the amount of the shares transferred.

### **(XIII) Cancellation of filing for cash option execution online**

Investors who have filed for cash option execution online may cancel their filing for cash option execution through the trading system of SZSE within the filing period on the date of filing. Starting from the day immediately after the filing, investors shall not cancel their application for cash option execution made on the previous day through the trading system of SZSE.

### **(XIV) Action for choosing to continue to hold the Company's B Shares**

B Shareholders who choose to continue to hold the Company's B Shares until such shares change their listing location for listing and trading on the main board of SEHK need not take any action during the period for filing for cash option execution nor exercise B Share cash options.

### **(XV) Conditional termination of cash options**

Pursuant to the Rules Governing the Listing of Securities on SEHK ("Listing Rules"), a certain percentage of the total issued share capital of a listed company must be held by the public. Currently, the Company's B Shares represent 11.94% of the Company's total share capital. The Company intends to apply for a waiver from SEHK allowing the Company to have a minimum public float of 8%. Among the third party cash option providers for this proposal, since China Resources Holdings and GIC hold more than 10% of the shares in the Company or its subsidiaries, they constitute connected parties according to the provisions of the Listing Rules. The Company's shares they obtained through the provision of cash options shall not be taken into account in the calculation of the public float. Hence, China Resources Holdings and GIC, together can only acquire an aggregate amount of B Shares not exceeding 3.45% of the Company's total share capital, equivalent to approximately one-third of the total number of B Shares; otherwise the Company will not be able to satisfy the listing requirement of SEHK. Owing to the aforesaid, should the number of shares filed for cash option execution exceed one-third of the total number of B Shares, that is more than 438,318,489 shares have been filed for cash option execution, this proposal will not be implemented, and there will be no clearing and settlement of cash options. Vanke's B Shares shall resume trading and continue to be traded on the B Share market of SZSE.

#### **(XVI) Clearing and settlement period of cash options**

If the number of shares filed for cash option execution does not exceed one-third of the total number of B Shares, clearing and settlement of cash options of the Company's B Shares will be conducted. The trading day immediate following the closing date for filing to exercise the cash options (13 June 2014), i.e. 16 June 2014, will be the clearing day for the Company's B Share cash options. China Clearing Shenzhen Branch will clear the valid execution instructions on the clearing day at 4:00 p.m. on 17 June 2014, that is the trading day immediately after the execution clearing day. China Clearing Shenzhen Branch will conduct non-guaranteed full settlement individually basing on the clearing results and in accordance with sequence of filing for execution.

#### **(XVII) Surety for performance of cash option**

Before the distribution of cash option, the Third Parties will maintain sufficient amount of cash through designated account to offer surety for performance.

#### **(XVIII) Settlement of cash option**

Cash option will be settled by delivery of securities, that means when each cash option is exercised by B Shareholders, the system will deduct one cash option rights and one B Share of the Company. In the meantime, the shareholders' cash account or their designated accounts will receive HK\$12.39 and minus relevant transaction tax.

#### **(XIX) Treatment of unexercised right after expiry**

Cash options not filed or invalidly filed for execution will be cancelled after the closing of the application period. Shareholders of such cash options continue to hold the Company's B Shares.

After the implementation of the cash option proposal is completed, China Clearing, the nominee authorized by board of directors, to represent all B Shareholders to open H-share trading accounts for B Shares held by all B Shareholders at CITIC Hong Kong, a qualified brokerage firm in Hong Kong, designated by the board of directors in due course. The

Company's relevant H Shares will be under the custody of Hong Kong Securities Clearing Company Limited, which will be responsible for handling relevant matters. For the details regarding the operations of the aforementioned matters and the arrangement of rights and obligations of the related parties, it will be implemented according to relevant regulations of "Shenzhen Branch of China Securities Depository and Clearing Corporation Limited B-to-H Share Conversion Domestic Operations Guide" and "Shenzhen Branch of China Securities Depository and Clearing Corporation Limited B-to-H Share Conversion Domestic Operations Guide for Investors"

**(XX) Arrangement of application for the change of custodian across the border before listing of H Shares**

Starting from the commencement of the cash option distribution day, i.e. 9:30 am on 6 June 2014, the China Clearing Shenzhen Branch will begin accepting application for the change of/to overseas custodian from overseas shareholders of the Company's B Shares.

Pursuant to the requirements of the Listing Rules, the number of overseas public shareholders of Company's H Shares should not be less than 300 at the time of listing. To facilitate smooth implementation of the listing of the Company's H Shares, the Company will bear handling fee for change of/to overseas custodians by the overseas B Shareholders who effectively submit valid applications for change of/to overseas custodians by 12:00 noon, 18 June 2014 (determined by the time of acknowledgement of arrival of the materials). For applications for change of/to overseas custodian submitted thereafter, the contingent handling fee will be borne by the investors.

Prior to applying for change of custodians across the border, overseas investors should open a securities trading account with a securities company or custodian bank in Hong Kong at his / her choice and provide information in relation to the securities trading account at the time of application for change of custodian. The investor should bring along his / her identification documents to the sales department of the securities company at which he / she is opening an account and complete the Application Form for Change of/to Overseas Custodians for H Shares. The Application Form reviewed by the sales department of the securities company and sealed with its corporate chop will be submitted to China Clearing Shenzhen Branch.

The Application Form for Change of/to Overseas Custodians submitted before the listing of the Company's H Shares will be processed by China Clearing Shenzhen Branch in the trading system of Hong Kong Securities Clearing Company Ltd. after the completion of the clearing and settlement of the cash options, and the conversion of B Shares held by investors to H Shares. Overseas investor should ensure that the number of shares in his / her securities account equals or exceeds the number of shares applying for change of/to overseas custodians. The change of/to overseas custodians cannot be proceeded if otherwise.

For the details regarding the operations of the change of/to overseas custodians, please refer to “Shenzhen Branch of China Securities Depository and Clearing Corporation Limited B-to-H Share Conversion Domestic Operations Guide” and “Shenzhen Branch of China Securities Depository and Clearing Corporation Limited B-to-H Share Conversion Domestic Operations Guide for Investors” distributed by the Company on 28 May 2014.



#### **IV. Filing for execution of cash option**

**(I) Filing for execution of cash option can be carried out through the trading system of SZSE**

##### 1. Instruction for execution

Investors shall file for execution of cash options through their B Shares securities accounts. For an investor with more than one B Shares securities accounts, he/she shall apply separately for each of his/her B Shares securities accounts. For an investor holding the Company's B Shares in more than one trading unit under one B Shares securities account, he/she shall apply separately for the B Shares held in different trading units. B Shareholders can issue an instruction for execution in accordance with instructions of technical system of relevant securities company and the code for cash option in his/her securities account. The instruction for execution shall contain the followings:

Option execution code: 238903

Type of business: option execution

Amount under instruction: the number of B Shares cash option for execution

Price for execution: HK\$12.39 per share (execution price)

Execution instruction shall be filed in units of cash options. Investors can file for execution to the trading system of SZSE through securities companies on any trading day during the period for filing for execution of cash option. Investors must ensure that their accounts have sufficient available cash options and target securities.

##### 2. Filing for execution of cash options under custody of overseas custodian banks

Pursuant to the requirement for the execution of cash option, only cash options under the custody of trading units (sales department of securities companies) eligible for filing for execution could exercise such cash options through the aforementioned trading unit, and there should be sufficient amount of target securities for successful execution. Therefore, investors with their shares under custody of overseas custodian banks, shall follow the

following procedures to exercise their cash options, if their shares under their possession are not under the custody of trading unit eligible for filing for execution:

(1) On the trading day before filing for execution, one shall submit, through the type II order, the order for change of custodian for the cash option for execution and corresponding target shares, in order to transfer the custody of the two securities to the corresponding custodian unit of the trading unit filing the order.

(2) File for execution through the trading unit, to which the cash options are transferred during the period for filing for execution.

(3) On the trading day immediately following the clearing and settlement day, the proceeds from execution of cash option will be transferred to the settlement reserve account of overseas custodian institutions through the type II order detailing the code for cash options and the amount of proceeds from execution of cash option.

(4) The nominee relationship between the custodian bank and the securities companies filing for execution of cash option on the custodian bank's behalf, shall be negotiated and settled by the cooperation parties.

### 3. Issues for confirmation before exercise of cash option

(1) Qualified B Shareholders can choose to exercise their cash options in full or part. During the filing period of cash options, China Clearing Shenzhen Branch will confirm the application for cash option execution filed during the day after the close of each trading day. After filing for execution of their cash options and with confirmation by China Clearing Shenzhen Branch for validity, B Shareholders shall not withdraw cash options filed in full or part, and shall not exercise such portion of cash options anymore.

(2) Before the issuance of execution exercise orders, the B Shareholders shall confirm that the amount under the execution orders does not exceed the amount of cash options in their securities account under the custody of such trading units and there are sufficient B Shares of the Company in their securities account under the custody of such trading units. If the shareholders of frozen or pledged shares intend to exercise their cash options, they shall release such shares from freezing or pledge before filing. If the amount of cash options filed

for execution by B Shareholders exceeds the amount of shares not being frozen or under pledge effectively held in their securities account under the custody of such trading units, the order for execution shall not be completed. If the amount of such options filed for execution by B Shareholders equal to or less than the amount of shares not being frozen or under pledge effectively held in their securities account under the custody of such trading units, the validly filed amount is the amount of cash option being filed.

(3) Confirmation on the effective amount of shares under multiple filing

For multiple filing of cash option with the same securities account and application code of cash option during the filing period, China Clearing Shenzhen Branch will proceed such application according to the sequence of the filings received and confirm the amount of shares validly filed in accordance with the procedures for filing for execution of cash options and the provision (2) of this section.

(4) For investors who filed for execution of their cash option, should they pledge the shares for execution under their holding, or should such shares be under judicial asset freezing or deduction before the close of the clearing and settlement day, the settlement of execution at the time of the final execution may not be completed.

4. The Company's stock transaction during the execution period

During the cash option filing period, trading in the Company's B Shares will be suspended.

5. Amount of cash options after execution, deduction of shares and acquisition of proceeds from execution

Upon successful filing for execution of cash option, proceeds from execution will be automatically recorded in the settlement reserve account of the relevant securities company on the settlement day, while a corresponding amount of cash option rights and the Company's B Shares will be deducted from the B Shareholder's securities account. The relevant securities company will then record the relevant proceeds from execution in the capital account of the B Shareholder.

6. After expiry of the filing period, unexercised cash options in the securities account of

B Shareholders will be written off.

## 7. Fee

Filing for execution of cash option or withdrawing of such filing through trading system of SZSE by B Shareholders is free of charge. When handling the confirmation of transfer of share for cash option execution and the transfer process, both parties of the transfer shall respectively subject to relevant taxes and fees in accordance with relevant regulations. If the share transfer fails due to insufficient fee, the responsible party shall bear the responsibility.

### **(II) Manual submission for execution of cash option**

#### 1. Filing for execution of cash option

Investors shall file for execution of cash option through their B Shares securities accounts. For an investor with more than one B Shares securities accounts, he/she shall apply separately for each of his/her B Shares securities accounts. For an investor holding the Company's B Shares in more than one trading unit under one B Shares securities account, he/she shall apply separately for the B Shares held in different trading units.

Shareholders who have not placed the Company's B Shares under custody of securities companies shall submit application materials to the Company through courier or postal services within the specified filing period, should they intend to exercise their cash option. Shareholders may choose to submit their application materials for execution through their overseas custodian banks; or may choose to submit the materials by themselves. For contact of the Company, please refer to "VII. Contact person and means of contact" of this announcement. The arrival and sign in time of courier or postal services should be within the effective filing period (up until 3:00 p.m. of 13 June 2014). Any filing without complete application materials shall be deemed invalid.

In accordance to "Operations Guide for Cash Option Operations of Listed Companies by Shenzhen Branch of China Securities Depository and Clearing Corporation Limited" and "Operations Guide for Management of Security Accounts by Shenzhen Branch of China Securities Depository and Clearing Corporation Limited", shareholders shall submit the following materials for execution:

1) If a shareholder chooses to submit the execution application materials via the overseas custodian bank, the overseas custodian bank shall submit the following execution application materials to the Company:

A. “Letter of Confirmation of Investors’ Manual Submission for Cash Option Execution” filled and signed by the B Shareholder (see Attachment 1 to this announcement for the format of the Letter of Confirmation), copy of identification document of the B Shareholder, “Confirmation Letter” issued by the overseas custodian bank and authenticated by a law firm which satisfies the requirements in the place where the overseas custodian bank belongs (see Attachment 2 to this announcement for the format).

B. Valid identification document of the overseas custodian bank and their copies

Valid identification document refer to business registration documents, or documents proving the establishment of the said institution with equal legal effect etc.

C. Copies of the statutory representative certificate of the overseas custodian bank and valid identification documents of the statutory representative, with the official seal of the institution where the statutory representative belongs. The above-mentioned “Statutory Representative Certificate” may refer to verification documents provided by overseas custodian bank that can prove the identity of the principal of the overseas custodian bank, which include but are not limited to the statutory representative certificate, the articles of association or resolutions of the board of directors that state the qualifications of the principal, the registration certificate that states the powers and duties of the principal, etc. (hereinafter referred to as the “Statutory Representative Certificates”).

The above-mentioned “Statutory Representative”, subject to different applicants, besides the statutory representative of a corporate body, also includes the proxy appointed by the executive partner of a partnership enterprise or a corporate body, the principal directors and major shareholders of a non-legal person venture capital enterprise. (hereinafter referred to as the “Statutory Representative”).

D. Statutory Representative authorization letter of the overseas custodian bank, with the signature/seal of the Statutory Representative and the official seal of the institution, In the event that this is being handled by a proxy designated by the principal of an overseas

custodian bank, an authorization letter with the signature/seal of the principal and the official seal of the company shall also be submitted.

E. To present the originals of the valid identification document of the operator along with their copies (if needed)

F. Where the overseas custodian bank is a non-corporate body such as partnership enterprise or a non-corporate venture capital enterprise, the following application materials must be verified:

a. Partnership agreement or non-corporate venture capital enterprise contract signed by investment parties and the articles of association, with the enterprise seal; and

b. List of names of all partners or investment parties and their valid identification documents, as well as their copies.

G. For the valid identification documents of an overseas custodian bank, they must carry the same name and number with those on the submission forms; and the copies kept must be the same with the originals (where a copy is not required, the original must be kept).

H. The application materials submitted by the overseas custodian bank shall be in the Chinese language. If both Chinese version and foreign-language version are submitted, the Chinese version shall prevail.

2) If a shareholder chooses to submit the execution application materials on his own, he shall submit the following execution application materials to the Company:

(1) Execution application materials required to be submitted by an individual investor:

A. Fill in and sign the Letter of Confirmation of Investors' Manual Submission for Cash Option Execution (please refer to Attachment 1 of this announcement) which shall be notarized for its authenticity and validity by relevant notary organizations.

B. Valid identification documents and copies

In the event that a foreign investor is a natural person, his/her valid identification

documents refer to Hong Kong Identity Card, Macau Identity Card, Mainland Travel Permit for Taiwan Residents, Certificate of Permanent Residence in China and Chinese passport of Chinese citizens with the right of permanent residence in overseas countries (regions), resident identity card or passport of overseas countries (regions). (same below).

C. In the event that an investor entrusts others for filing, he/she shall provide signed proxy form and its copies notarized by the relevant notary organizations for its authenticity and validity, valid proofs of identity and copies of the agent.

(2) Execution application materials required to be submitted by an institutional investor:

A. Fill in and sign the Letter of Confirmation of Investors' Manual Submission for Cash Option Execution (please refer to Attachment 1 of this announcement) which shall be notarized for its authenticity and validity by relevant notary organizations.

B. Valid identification documents and copies

In the event that the overseas investor is an institution, the valid identification documents refer to business registration documents, or documents proving the establishment of the said institution with equal legal effect etc. Where necessary, investors shall provide Tax Registration Certificate, tax certificate etc. as supplementary documents. (If there is not a registration number on the main page of the identification documents, investors shall provide Tax Registration Certificate or other documents that including tax registration number as a registration ID.)

C. Copies of the statutory representative certificate and the valid identification documents of the statutory representative, with the official seal. The above-mentioned "Statutory Representative Certificate" may refer to a legal person institution of the statutory representative, verification document that can prove the identity of the principal of the institutional investor, which include but are not limited to the statutory representative certificate, the articles of association or resolutions of the board of directors that state the qualifications of the principal, the registration certificate that states the powers and duties of the principal, etc. (hereinafter referred to as the "Statutory Representative Certificates").

The above-mentioned “Statutory Representative”, subject to different applicants, besides the statutory representative of a corporate body, also includes the proxy appointed by the executive partner of a partnership enterprise or a corporate body, the principal directors and major shareholders of an overseas institution, etc. (hereinafter referred to as the “Statutory Representative”).

D. Statutory Representative authorization letter, at the time of signing, notarized by the relevant notary organisation for its authenticity and validity (with the signature/seal of the Statutory Representative and the official seal of the institution). In the event that this is being handled by a proxy designated by the principal of an institutional investor, an authorization letter with the signature/seal of the principal and the official seal of the institution, notarized, at the time of signing, by the relevant notary organisation for its authenticity and validity, shall also be submitted.

E. Valid identification documents of the operator along with their copies

F. Where the institutional investor is a non-corporate body such as a partnership enterprise or a non-corporate venture capital enterprise, the following application materials must be verified:

a. Partnership agreement or non-corporate venture capital enterprise contract signed by investment parties and the articles of association, with the enterprise seal; and

b. List of names of all partners or investment parties and their valid identification papers, as well as their copies.

(3) Issues for attention when submitting the aforesaid execution application materials

A. For the valid identification documents of an investor, they must carry the same investor’s name and number with those on the submission forms; the copies kept must be identical to the originals (where a copy is not required, the original must be kept); and if they are the same with the certificates and information previously submitted to the China Clearing Shenzhen Branch, the investor does not need to submit authentication or notarization materials according to the requirements in B and D below.



B. Except for the Chinese passport and the Mainland travel permit for Taiwan residents signed and issued by the relevant departments of China, as well as the passport of an investor from a foreign country/region with complete visa and immigration procedures, other aforesaid application materials of an overseas investor must be authenticated or notarized according to the following requirements:

a. The application materials submitted by a Hong Kong investor must be notarized by a Hong Kong public notary entrusted by the Judicial Department of China, with the special seal of China Legal Service (H.K.) Ltd. for Hong Kong notarial document transmission. Where a Hong Kong natural-person investor submits his/her Mainland Travel Permit for Hong Kong Residents at the same time, his/her ID card needs no authentication.

b. The application materials submitted by a Macau investor must be notarized by the notary offices of the Macau government or a public notary entrusted by the Judicial Department of China, with the authorization seal of China Legal Service (Macau) Ltd. Where a Macau natural-person investor submits his/her Mainland Travel Permit for Macau Residents at the same time, his/her ID card needs no authentication.

c. The application materials submitted by a Taiwan corporate investor must be notarized by the notary offices of Taiwan. And Straits Exchange Foundation must send, according to the “Cross-Strait Agreement on Use and Verification of Notarial Certificate” of 1993, the notarial certificate copy to the Mainland notary association. And the Mainland notary association must issue a verification certificate to state that the original notary certificate and the copy sent by Straits Exchange Foundation are identical.

d. The application materials submitted by an investor from a foreign country/region must be authenticated by the embassy/consulate of China in the country/region, or the investor can go through the identification procedures as stipulated in the relevant treaties signed by China and the country/region. Where the country/region has no diplomatic relation with China, the application materials submitted by the investor must be first authenticated by the ministry of foreign affairs of the country/region or its authorized organ and the embassy/consulate of a third country in the country/region that has diplomatic relation with China, and then authenticated by the embassy/consulate of China in the third country.

C. The application materials submitted by overseas investors shall be in the Chinese

language. If both a Chinese version and a foreign-language version are submitted, the Chinese version shall prevail.

D. Where the authorizer of an overseas natural person or institution is entitled to sign an authorization letter and the “Letter of Confirmation of Investors’ Manual Submission for Cash Option Execution” in China, a Chinese notary office must notarize the signing to prove that the authorization letter and the “Letter of Confirmation of Investors’ Manual Submission for Cash Option Execution” are signed in China and are factual and valid. Overseas notarization and authentication is not needed.

If an overseas natural person or his commission agent, or the Statutory Representative of an overseas institution or the legally authorized operator signs the Letter of Confirmation of Investors’ Manual Submission for Cash Option Execution under the on-site witness of the company’s lawyers, domestic or overseas notarization and authentication is not needed.

## 2. Matters to be confirmed before execution

(1) The qualified of B Shareholders can choose to exercise their cash options in full or part. During the period for filing of cash options, China Clearing Shenzhen Branch will confirm the application for cash option execution filed on that day after the close of each trading day. The B Shareholders, who have filed for executing their cash options with confirmation of the validity of the filing, shall not withdraw the filed cash options in full or part, nor to exercise such option anymore.

(2) Before the application for execution, B Shareholders shall confirm that the entrusted amount of exercise orders does not exceed the amount of cash options in their securities account under the trading units and there is sufficient B Shares of the Company in their securities account. If the holders of frozen or pledged shares intend to exercise their cash options, they shall release such shares from freezing or pledge before the application. If the amount of cash options filed for execution by B Shareholders exceeds the amount of shares not being frozen or under pledge effectively held in their securities account under the custody of such trading units, the order for execution shall not be completed. If the amount of such options filed for execution by B Shareholders equal to or less than the amount of shares not being frozen or under pledge effectively held in their securities account under the custody of

such trading units, the validly filed amount is the amount of cash option being filed.

(3) If a B Shareholder pledges his/her holding shares or his/her holding shares are under judicial mandatory freezing or deduction after manual submission for execution to up to allocation period of exercised shares, resulting in insufficient amount of shares for execution at the time of actual allocation, such execution order would not be able to exercise. The shareholders would continue to hold the corresponding number of B Shares.

### 3. The Company's stock transaction treatment during the execution period

During the filing period of cash options, trading in the Company's B Shares will be suspended.

### 4. Amount of cash options after execution, deduction of shares and acquisition of proceeds from execution

After B Shareholders succeed in exercising their cash options, a corresponding amount of cash options and the Company's B Shares will be deducted from the securities accounts of the B Shareholders; within three working days after China Clearing Shenzhen Branch transfers the shares associated with the validly filed cash options to the name of the Third Parties, the Third Parties will pay at the price of HK\$12.39 for each cash option in cash to the designated account of the investors that have not placed their Company's B Shares under the custody of domestic securities company, and simultaneously withhold and deduct the corresponding taxes and fees arising from such share transfer.

5. After the expiry of the filing period, unexercised cash options in the securities account of B Shareholders will be written off.

### 6. Expenses

B Shareholders shall be responsible for all the expenses arising from their manual submission for exercising cash options or withdrawal of application. The Third Parties shall withhold the transfer fees of exercised shares from B Shareholders in accordance with the amount of exercised shares applying for execution.

## **V. Information on the third party providers of cash options and their undertaking**

The Third Parties that provide the cash options include, but not limited to, China Resources, GIC and Value Partners.

China Resources (Holdings) Co., Limited is a diversified holding company registered and operated in Hong Kong. Its business registration number is 126089. China Resources (Holdings) Co., Limited is a wholly-owned subsidiary of China Resources National Corporation. China Resources National Corporation is the controlling shareholder of China Resources Co., Ltd., the Company's largest shareholder. China Resources (Holdings) Co., Limited is a State-owned enterprise under the direct supervision of the State-owned Assets Supervision and Administration Commission of the State Council.

Incorporated in 1981, GIC is an international investment management entity managing Singapore's foreign reserves. GIC invests globally in equities, fixed income, foreign exchange, commodities and currency markets, alternative investment, real estate and private equity. GIC currently manages assets of over US\$100 billion. It is one of the largest fund management entities in the world.

Incorporated in 1993, Value Partners is the investment manager of or investment consultant to certain investment funds. It is a wholly-owned subsidiary of Value Partners Group Limited (referred to as "Value Partners Group"). Value Partners Group is one of Asia's largest independent asset management company listed on the Hong Kong Stock Exchange (stock code: 806), and headquartered in Hong Kong.

## **VI. Schedule on the implementation of cash options**

<b>3 June 2014</b>	<b>The final trading date of B Shares</b>
<b>6 June 2014</b>	<b>Registration date and distribution date of B Shares cash option</b>
<b>9:30-11:30 am and 1:00-3:00 pm on each business day between 9 June 2014 and 13 June 2014. The closing time for filing will be 3:00 pm on 13 June 2014. For manual submission method, the arrival time of materials sent by courier or postal services shall be within the filing period.</b>	<b>Filing period and closing time of B Share cash option</b>
<b>The Company will bear the handling fee of change of/to overseas custodians with relevant applications submitted between 9:30 am on 6 June 2014 to 12:00 noon on 18 June 2014 (the arrival time of materials).</b>	<b>Arrangement of application for the change of/to overseas custodian before listing of H Shares</b>

## **VII. Contact person and means of contact**

For contact: Mr Liang Jie, Mr Ji Jianghua, Mr Wu Jinming

Address: Vanke Center No.33, Huanmei Road, Dameisha, Yantian District, Shenzhen

Postal code: 518083

Tel.: 0755-25606666

Fax: 0755-25531696

Board of Directors  
China Vanke Co., Ltd.

Shenzhen, 6 June 2014

**Attachment 1:**

**Letter of Confirmation of Investors' Manual Submission  
for Cash Option Execution**

**To: China Vanke Co., Ltd.**

The applicant herewith declares: I/my company, with full understanding of the relevant condition regarding entrustment for filing of B Shares' cash options for execution under China Vanke Co., Ltd.'s (hereinafter referred to as "Vanke") change of listing location of domestically listed foreign shares for listing & trading on the main board of the Stock Exchange of Hong Kong Limited by way of Introduction (hereinafter referred to as "Vanke B to H Shares Listing"), and entrust Vanke to submit the relevant information.

I/my company (ID card no./Business license no. ; Shenzhen securities account no. : and address: ) am/is a B Shareholder of Vanke. I/my company received a total of B Shares' cash options (code of option: 238903; name of option: WKP1). Under Vanke B to H Shares Listing and am/is still entitled to the abovementioned B Shares' cash options before expiration of the execution period.

According to the "Announcement Regarding Implementation Plan for B Shares' Cash Options Under Change of Listing Location of Domestically Listed Foreign Shares for Listing & Trading on the Main Board of The Stock Exchange of Hong Kong Limited by Way of Introduction" published on 4 June 2014 by Vanke, I/my company would like to file for execution of B Shares' cash options (code of option: 238903; name of option: Vanke WKP1) under the custody of \_\_\_\_\_ (name of custodian unit: and code of custodian unit: )

Applicant's ID card number (or business license number):

Name of applicant:

Name of receiving bank:

Applicant's receiving bank account number:

Contact person:

Contact number:

Applicant (signature/seal): Finger print of the applicant:

Date:

## Attachment 2:

### Confirmation Letter

To: China Vanke Co., Ltd.

\_\_\_\_\_ (hereinafter referred to as the “Company”) confirms that:

1. Upon verification by the Company, as of 6 June 2014, the individuals/institutions (hereinafter referred to as the “Applicants”) in the table below are B Shareholders of China Vanke Co., Ltd. (“Vanke”) and with legitimate holding of Vanke’s B Shares. According to the “Announcement Regarding Implementation Plan for B Shares’ Cash Options Under Vanke’s Change of Listing Location of Domestically Listed Foreign Shares for Listing & Trading on the Main Board of The Stock Exchange of Hong Kong Limited by Way of Introduction” published by your company on 4 June 2014, the Applicants are legitimately entitled to the cash options and eligible for filing for execution of cash options.

According to the relevant agreement between the Company and the Applicants, the Company hereby manually files for cash option execution on behalf of the Applicants.

Serial No.	Name of applicant	ID card No./ business license No.	Securities account No.	Address	Custodian Unit	Name of custodian unit	Code of custodian unit	Code of option	Title of option	No. of cash options filed for execution

2. Upon verification by the Company, it is confirmed that the application materials submitted by the Applicants and their entrusted proxies for cash option execution are authentic, complete and accurate.

3. Upon verification by the Company, it is confirmed that the signature and seal on the “Letter of Confirmation of Investors’ Manual Submission for Cash Option Execution”, the “Letter of Attorney” and other relevant documents submitted by the Applicants and their entrusted proxies are authentic.

4. Upon verification by the Company, it is confirmed that the application materials submitted by the Applicants during and for the execution of cash options are authentic, complete and accurate.

5. The Company has obtained full authorization from the Applicants to handle the filing and execution of cash options. Meanwhile, the operators of the Company have obtained full

authorization from the Company to handle the filing and execution of cash options. The application materials submitted by our operators to your company are authentic, complete and accurate representation of the Company, without any concealment or omission.

6. Should the Applicants have any disagreement with the filing and execution of cash options, the Company shall assume legal responsibility for all consequences and your company shall not be held responsible.

Name of the Company (Company seal):

Date: