



俊和發展集團
CHUN WO DEVELOPMENT HOLDINGS LIMITED

[For Immediate Release]

**CHUN WO TO ACQUIRE 90% EQUITY INTERESTS IN CHINA CITY CONSTRUCTION
(ZHUHAI) FOR RMB315 MILLION
COLLABORATES WITH CHINA CITY CONSTRUCTION TO DEVELOP A PROPERTY
DEVELOPMENT PROJECT IN ZHUHAI, GUANGDONG PROVINCE**

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**LONG-TERM STRATEGIC PARTNERSHIP ENABLES BOTH PARTIES TO EXPLORE
OPPORTUNITIES IN CHINA AND OVERSEAS MARKETS**

(Hong Kong, 18 March 2015) – **Chun Wo Development Holdings Limited** (“**Chun Wo**” or the “**Group**”) (**stock code: 00711**) has announced that it will acquire 90% equity interest in China City Construction Holding Group (Zhuhai) Property Co., Ltd. (“China City Construction (Zhuhai)”) at a total consideration of RMB315 million. The key asset of China City Construction (Zhuhai) is mainly a parcel of land located to the south of Haizhou Road and the east of Jiuzhou Avenue East, in Jida, Xiangzhou District, Zhuhai City, Guangdong Province, the PRC, with a total site area of nearly 10,000 sq. m. The parcel is to be developed into a commercial building with a GFA of approximately 101,136 sq. m. China City Construction Holding Group Co., Ltd. (“China City Construction”) holds a 25% equity interest indirectly in China City Construction (Zhuhai) and is its single largest shareholder.

China City Construction is a national grade enterprise principally engaged in urban development, investment and construction projects in China. Its extensive experience encompasses property development and operation, construction, decoration and renovation, road and bridge construction, landscape and greening projects, piping engineering projects, waterwork engineering projects, and investigation and design works and it has obtained approval to import and export construction materials in China. As the strategic shareholder, China City Construction had collaborated with the Group to secure a tender for a parcel of land located at Yiu Sha Road, Whitehead, Ma On Shan. Both parties are planning to co-develop a commercial property project in Zhuhai. The transaction and joint project planning strongly demonstrate the complementary development and operational philosophies of the two parties.

Mr. Dominic Pang, Co-Chairman of Chun Wo, said, “The Group is excited about the closer strategic partnership with China City Construction. We believe that the collaboration will further strengthen the Group’s shareholding structure and increase the scope for development of our business. The smooth cooperation experience between Chun Wo and China City Construction in the past together with the strengths of both parties in infrastructure, property development, property management and security services enables both of us to explore together potential development opportunities in China and in overseas markets.”

CHUN WO ACQUIRES 90% EQUITY INTERESTS IN CHINA CITY CONSTRUCTION (ZHUHAI)

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The Zhuhai development project to be acquired possesses good locational advantage and is situated in a prime business location within the Pearl Delta River region. It is near Jiuzhou Port and takes only five minutes ride by car. It also takes a car ride of only eight to 10 minutes to the Hong Kong-Zhuhai-Macao Bridge. The commercial building project is surrounded by the sea on three sides with a sea view on the Pearl River Estuary as well as a panoramic view of Taipa in Macau and South Lantau Island in Hong Kong. The supply of grade A commercial buildings in the market is relatively scarce. Together with closer transport links and more frequent business and trade activities in the Pearl River Delta region, the demand for grade A commercial buildings in the region is expected to increase continuously. Upon completion scheduled in the first half of 2016, the new building is expected to contribute cash flow and revenue to the Group afterwards. 鈺海環球金融中心 is the grade A commercial building in the vicinity and its selling price per sq. m. is RMB27,000.

Mr. Pang concluded, “We think that the investment has good potential and will present opportunities to the Group to build a property development business in alignment with the Group’s development strategies. As several cooperative projects are currently under negotiation between Chun Wo and China City Construction, we believe there will be greater cooperation between the two parties in the future.”

Chun Wo Development Holdings Limited (Stock code: 00711)

Chun Wo was founded in 1968 and listed on the Main Board of the Hong Kong Stock Exchange in 1993. Chun Wo has introduced a new shareholder China New Way Investment Limited in 2015 to leverage the network and resources in China. Apart from developing its core property development and construction businesses, Chun Wo has been diversifying its business into property investment, property management and security services in recent years. The projects are widely distributed in Hong Kong, Mainland China, Macau, Vietnam and the United Arab Emirates. Possessing the expertise required for large-scale integrated construction projects, the Group is capable of undertaking a wide range of activities which include civil engineering, building construction, foundation works, tunnel boring machine (“TBM”) technology, fitting out and interior design, electrical and mechanical engineering, track-work engineering and maintenance works. Its signature projects included the Central-Wan Chai Bypass, Guangzhou-Shenzhen-Hong Kong Express Rail Link and MTRC projects for the South Island Line and Shatin to Central Link. Chun Wo has also seized opportunities involving property development in the PRC, with presence in Shijiazhuang, Hebei Province; Shanwei, Guangdong Province; Yangzhou, Jiangsu Province and Shenyang, Liaoning Province.

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