take no responsibility for the contents of this announcement, make no representation as to

THE SHARE PURCHASE AGREEMENT

Date

18 December 2017 (after trading hours).

Parties

The Seller, the Buyer, the Seller's Guarantor and the Buyer's Guarantor.

To the best of the Directors' knowledge, information and beliefs having made all reasonable enquiry, the Buyer and the Buyer's Guarantor and their ultimate beneficial owners are third parties independent from the Company and its connected persons.

Subject matter of the Disposal

Pursuant to the Share Purchase Agreement, the Seller has conditionally agreed to sell, and the Buyer has conditionally agreed to purchase, the Sale Share. The Sale Share represents the entire issued share capital in the Target Company owned by the Seller.

Consideration

The Consideration for the Disposal is RMB3,200 million (equivalent to approximately HK$3,776 million) to be satisfied by the Buyer in the following manner:

(i) RMB960 million (equivalent to approximately HK$1,133 million), which as of the date of the Share Purchase Agreement has been paid by the Buyer in cash in Hong Kong dollars to the Seller;

(ii) RMB1,280 million (equivalent to approximately HK$1,510 million), to be paid by the Buyer in cash in Hong Kong dollars to the Seller on the date of the Share Purchase Agreement; and

(iii) the remaining balance of RMB960 million (equivalent to approximately HK$1,133 million), to be paid by the Buyer in cash in Hong Kong dollars to the Seller on or before 10 January 2018.

The Consideration for the Disposal was arrived at after arm's length negotiations between the Seller and the Buyer with reference to the financial information of the Target Company and taking into account the assets held by the Target Company. For further details of the reasons and benefits for the Disposal, please refer to the section headed "Reasons and Benefits of the Disposal" below.

Conditions Precedent

ompletion of the Disposal is conditional upon the satisfaction or waiver of the following onditions after the date of the Share Purchase Agreement and in any event no later than the Long Stop Date:

(i) obtaining of all necessary consents and approvals with regard to the Disposal (including but not limited to all requirements under laws, regulations and the Listing Rules) by each of the Seller and the Buyer; and

(ii) the Target ompany having approved the transfer of the Sale Share and the matters contemplated under the Share Purchase Agreement in accordance with all applicable laws and regulations.

Each of the Seller and the Buyer shall use its reasonable efforts to procure satisfaction of the onditions as soon as reasonably practicable (and in any event no later than the Long Stop Date . Each of the Seller and the Buyer may waive any ondition which is applicable to the other party.

If the Share Purchase Agreement is terminated by the Buyer due to the non-satisfaction of any ondition (which has not been waived , the Seller shall return the total amount of onsideration paid by the Buyer within 3 Business Days after such termination.

Completion

Subject to satisfaction of the onditions, ompletion shall take place on the fifth Business Day after receipt of payment of the onsideration in full by the Seller, and the actual date of ompletion shall be agreed by the Seller and the Buyer provided that such date shall not be later than the Long Stop Date.

Obligations of the Seller's Guarantor and the Bu er's Guarantor

The Seller's Guarantor and the Buyer's Guarantor have each joined as a party to the Share Purchase Agreement to guarantee the performance of, and observance by, the Seller and the Buyer of all of their respective obligations under the Share Purchase Agreement.

INFORMATION ON THE TARGET GROUP

The Target ompany is a limited liability company established in the British Virgin Islands and is principally engaged in investment holding. The Target ompany holds 49% equity interest of the PR ompany and the remaining 51% equity interest of the PR ompany is owned by Shanghai Shimao. The PR ompany is the project company of a commercial property project located at Nanshan District, Shenzhen, Guangdong Province, PR .

The unaudited consolidated total assets value and the net assets value of the Target Group as at 30 September 2017 were appro imatel HK$ 1,679 million and appro imatel HK$ 1,679 million respectivel . Set out below is certain consolidated financial information of the Target Group for the two ears ended 31 December 2015 and 2016:

	For the ears ended 31 December (unaudited)	
	2015	**2016**
	(HK$'000)	*(HK$'000)*
Revenue	0	0
Net loss before ta	137	6,566
Net loss after ta	137	6,566

Upon completion of the Disposal, the Target ompan will cease to be a subsidiar of the ompan and the results, assets and liabilities of the Target ompan will cease to be consolidated into the accounts of the ompan .

EXPECTED GAIN FROM THE DISPOSAL

Upon completion of the Disposal, it is estimated that the ompan would realise a gain on the Disposal before ta ation of appro imatel RMB1,777 million equivalent to appro imatel HK$ 2,097 million , taking into account its 100% interest in the issued share capital in the Target ompan , being the difference between the consideration and the net asset value of the Target ompan as at 30 September 2017.

The e act amount of the gain of the Disposal to the ompan is subject to adjustments and audit and ma therefore be different from the amounts mentioned above as the actual gain or loss will depend on, amon other things, the actual net asset value of the Target ompan as at the date of ompletion.

INFORMATION ON THE PARTIES

The Group is principall engaged in the manufacture and sale of laminates, printed circus18 -1.1 667

REASONS AND BENEFITS OF THE DISPOSAL

The Board considers that the Disposal represents an opportunity to realise the Company's investment in the Target Company so as to enhance the cash flow of the Group, which in turn enables the Group to free up capital for its operations and investment purposes when such opportunities arise.

The Board intends to apply the net proceeds from the Disposal for the general working capital of the Group, and also to invest in potential investment opportunities and to operate current principal business of the Group.

The Directors (including the independent non-executive Directors) consider that the Disposal, and the terms of the Share Purchase Agreement, have been agreed upon an arm's length basis, are on normal commercial terms, fair and reasonable and are in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the relevant applicable percentage ratios in respect of the Disposal calculated pursuant to Rule 14.07 of the Listing Rules is equal to or exceeds 5% and none of such percentage ratios is equal to or exceeds 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements but is exempt from shareholders' approval requirement under the Listing Rules.

The Company's shareholders and respective potential investors should note that the Share Purchase Agreement is subject to conditions and therefore the Disposal may or may not proceed. The Company's shareholders and respective potential investors are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"Board"	the board of Directors
"Business Day"	a day (excluding Saturday) on which licensed banks in Hong Kong are generally open for business
"Buyer"	Shimao Property Holdings (BVI) Limited, a company

Bu er's Guarantor–	Shimao Propert Holdings Limited, a compan incorporated in the a man Islands with limited liabilit , the issued shares of which are listed on the main board of the Stock E change (Stock ode: 813
Compan – or **Seller's Guarantor**–, as the case ma be	ingboard hemical Holdings Limited (建滔化工集團有限公司, a compan incorporated in the a man Islands with limited liabilit , the issued shares of which are listed on the main board of the Stock E change (Stock ode: 148
Completion–	completion of the Disposal
Conditions–	the conditions precedent to ompletion as set out in the Share Purchase Agreement
Consideration–	R B3,200 million (equivalent to appro imatel H 3,77 6 million
Director(s)–	director(s) of the ompan
Disposal–	the disposal of the Sale Share b the Seller to the Bu er pursuant to the Share Purchase Agreement
Group–	the ompan and its subsidiaries
Listing Rules–	the Rules Governing the Listing of Securities on the Stock E change
Long Stop Date–	15 Januar 2018 (or a later date as ma be agreed between the Seller and the Bu er in writing
PRC–	the People's Republic of hina
PRC Compan –	a compan established in the PR and directl owned as to 51% b Shanghai Shimao and 49% b a wholl -owned subsidiar of the Target ompan
Sale Share–	1 ordinar share of US 1.00 in the issued share capital of the Target ompan , which represents the entire issued share capital of the Target ompan as at ompletion
Seller–	Good Dream Holdings Limited, a compan incorporated in the British Virgin Islands with limited liabilit
Shanghai Shimao–	Shanghai Shimao o., Ltd. (上海世茂股份有限公司, a compan established in the PR with its shares listed on the Shanghai Stock E change (Stock ode: 00823 and a subsidiar of the Bu er's Guarantor

▲ **Share Purchase Agreement**–	the share purchase agreement dated 18 December 2017 entered into between the Seller, the Buyer, the Seller's Guarantor and the Buyer's Guarantor in relation to the Disposal
▲ **Stock Exchange**–	The Stock Exchange of Hong Kong Limited
▲ **Target Company** –	Win Real Group Limited, a company incorporated in the British Virgin Islands with limited liability and owned as to 100% by the Seller prior to the Disposal
▲ **Target Group**–	the Target Company and the PRC Company
▲ **HKD**–	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC
▲ **RMB**–	Renminbi, the lawful currency of the PRC

Note: For the purpose of this announcement, unless otherwise indicated, the exchange rate of RMB1 = HKD1.18