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萬桐園

CHINA WAN TONG YUAN (HOLDINGS) LIMITED

中國萬桐園（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6966)

**DISCLOSEABLE TRANSACTION
ACQUISITION OF LAND**

STATE-OWNED LAND USE RIGHT TRANSFER CONTRACT

The Board is pleased to announce that on 2 December 2024, the Purchaser, a non-wholly-owned subsidiary of the Company, has entered into the State-Owned Land Use Right Transfer Contract with the Langfang Bureau in relation to the Land Acquisition at a consideration of RMB54,713,600.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) in respect of the Land Acquisition is more than 5% and all of the applicable percentage ratios are less than 25%, the Land Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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STATE-OWNED LAND USE RIGHT TRANSFER CONTRACT

Details of the State-Owned Land Use Right Transfer Contract are set out as follows:

Date: The Purchaser has entered into the State-Owned Land Use Right Transfer Contract on 2 December 2024 with the Langfang Bureau.

Parties:	<p>(1) Langfang Bureau of Natural Resources and Planning* (廊坊市自然資源和規劃局), as transferor</p> <p>(2) Langfang Linkong Wantong Public Cemetery Co., Ltd.* (廊坊市臨空萬桐公墓有限公司), as transferee</p> <p>To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Langfang Bureau and its ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected persons.</p>
Subject matter:	<p>The Langfang Bureau and the Purchaser entered into the State-Owned Land Use Right Transfer Contract, pursuant to which the Purchaser has agreed to acquire the Land from the Langfang Bureau.</p>
The Land:	<p>The Land is situated at the north side of Yongding Road and west side of Yongxing River of Langfang, Hebei Province, the PRC (中國河北省廊坊市永定路北側、永興河西側).</p> <p>The term of the land use right of the Land is 50 years from the Completion Date.</p> <p>The site area of the Land is 70,546.27 square metres.</p>
Consideration:	<p>The consideration for the Land Acquisition is RMB54,713,600.</p> <p>The consideration for the Land Acquisition was arrived at on an arm's length basis through a tendering process in compliance with relevant PRC laws and regulations. The Group considered the tendering price fair and reasonable, taking into account: (i) current market prices of land in the vicinity of the Land and adjacent areas; and (ii) the location and development potential of the Land in view of the Group's business strategy and plan to further strengthen its market position in Langfang and expand its business in the Jing-Jin-Ji megalopolis.</p> <p>The consideration for the Land Acquisition is expected to be funded by the internal resources of the Group through a shareholder's loan to be extended to the Purchaser by Langfang Wantong under the JV Agreement.</p>
Usage:	<p>The Land is designated for burial-related use.</p>

The Group intends to use the Land for the development and sale of burial plots. Pursuant to the State-Owned Land Use Right Transfer Contract, the construction of the Land shall commence before 27 February 2026 and be completed before 26 February 2028.

Payment: The Purchaser shall pay the consideration of RMB54,713,600 to the Langfang Bureau before 29 December 2024.

Completion Date: The Langfang Bureau shall transfer the Land to the Purchaser before 28 February 2025 (the “**Completion Date**”) on an “as is” basis.

REASONS FOR AND BENEFITS OF THE LAND ACQUISITION

References are made to (1) the Company’s announcement dated 30 June 2020 and circular dated 25 August 2020 in relation to, amongst others, the JV Agreement and the Cemetery JV Project; and (2) the annual report of the Company for the year ended 31 December 2023 published on 26 April 2024 (the “**2023 Annual Report**”).

The Group is primarily engaged in the sale of burial plots and columbarium units, provision of other burial-related services and provision of cemetery maintenance service.

As disclosed in the 2023 Annual Report, ever since its listing in 2017, the Company has been following the idea of “tapping further into the burial services market in the Jing-Jin-Ji megalopolis and pursuing strategic alliance and acquisition opportunities” as one of its business objectives. With an excellent liquidity position and the abundant financial resources reserved by the Group for further development, the Group is well equipped to cover the development costs of the Cemetery JV Project, including but not limited to the construction works in relation to the development of the Land. The Cemetery JV Project will enable the Group to further strengthen its market position in Langfang and expand its business in the Jing-Jin-Ji megalopolis. The Land Acquisition is a key step and endeavour of the Group under the Cemetery JV Project, under which the Group will construct operational cemeteries on the Land for sale of burial plots and further provisions of other burial-related services and cemetery maintenance service. The Directors are confident that upon completion of construction of the Land, it will create stable return for the Shareholders and enhance Shareholders’ value.

Having considered the above factors, the Directors consider that the terms of the State-Owned Land Use Right Transfer Contract are on normal commercial terms, and the Land Acquisition contemplated thereunder is fair and reasonable and in the interest of the Company and its Shareholders as a whole.

INFORMATION OF THE PARTIES

The Company and the Group

The Company is an investment holding company incorporated under the laws of the Cayman Islands with limited liability. The Group is primarily engaged in the sale of burial plots and columbarium units, provision of other burial-related services and provision of cemetery maintenance services.

Langfang Bureau

Langfang Bureau is a government entity under the Langfang Municipal People's Government* (廊坊市人民政府) which is responsible for, among others, granting of land use rights in Langfang City, Hebei Province, the PRC.

The Purchaser

The Purchaser is a company established in the PRC with limited liability and a non-wholly-owned subsidiary of the Company. As at the date of this announcement, the equity interest in the Purchaser is held as to 79% by the Group and 21% by Xinhangcheng. The ultimate beneficial owner of Xinhangcheng is the Langfang Municipal People's Government* (廊坊市人民政府). The Purchaser is principally engaged in construction and operation of and cemetery maintenance services.

LISTING RULES IMPLICATIONS

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DEFINITIONS

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

“Board”	the board of Directors
“Cemetery JV Project”	a cemetery joint venture project located in new airport (Langfang area), relocation and settlement zone, Beijing* (北京新機場(廊坊區域)回遷安置區公墓項目) contemplated under the JV Agreement
“Company”	China Wan Tong Yuan (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV Agreement”	the joint venture agreement entered into between Langfang Wantong and Xinhangcheng on 6 July 2020 (as amended and supplemented from time to time) in relation to the formation of the Purchaser (as a joint venture) and the Cemetery JV Project
“Land”	a parcel of land located at north side of Yongding Road and west side of Yongxing River of Langfang, Hebei Province, the PRC (中國河北省廊坊市永定路北側、永興河西側) with a site area of 70,546.27 square metres
“Land Acquisition”	the acquisition of the land use right of the Land pursuant to the State-Owned Land Use Right Transfer Contract
“Langfang Bureau”	Langfang Bureau of Natural Resources and Planning* (廊坊市自然資源和規劃局), a government entity under the Langfang Municipal People’s Government* (廊坊市人民政府)
“Langfang Wantong”	Langfang Wantong Public Cemetery Co., Limited* (廊坊市萬桐公墓有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchaser”	Langfang Linkong Wantong Public Cemetery Co., Ltd.* (廊坊市臨空萬桐公墓有限公司), a limited liability company established in the PRC and the equity interest in which is held as to 79% by the Group and 21% by Xinhangcheng as at the date of this announcement. The Purchaser is the joint venture established by the parties under the JV Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the share(s) of the Company

“Shareholder(s)”	holder(s) of the Shares
“State-Owned Land Use Right Transfer Contract”	the state-owned construction land use right transfer contract entered into by the Purchaser on 2 December 2024 with the Langfang Bureau in relation to the Land Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xinhangcheng”	Langfang Xinhangcheng Real Estate Development Co., Limited* (廊坊市新航城房地產開發有限公司), a company established under the laws of the PRC with limited liability
“%”	per cent

By order of the Board
China Wan Tong Yuan (Holdings) Limited
Zhao Ying
Chairman

Hong Kong, 2 December 2024

As at the date of this announcement, the Board of the Company comprises the chairman and non-executive Director of the Company, namely Ms. Zhao Ying, three executive Directors of the Company, namely Ms. Li Xingying, Ms. Wang Wei and Mr. Huang Peikun, and three independent non-executive Directors of the Company, namely Mr. Cheung Ying Kwan, Dr. Wong Wing Kuen Albert and Mr. Choi Hon Keung Simon.

* *for identification purpose only*