

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities referred to herein. This announcement is not an offer of securities of the Issuer for sale, or the solicitation of an offer to buy securities of the Issuer, in the United States. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws of the United States, and may not be offered or sold within the United States except pursuant to an exemption under, or in a transaction not subject to, the U.S. Securities Act. This announcement and the information contained herein are not for distribution, directly or indirectly, in or into the United States. No public offer of the securities referred to herein is being or will be made in the United States.*



CHINA MERCHANTS LAND LIMITED

招商局置地有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 978)

PLACING OF BONDS

Placing Agent



中国平安证券(香港)
PING AN OF CHINA SECURITIES (HONG KONG)

This announcement is made pursuant to the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO and Rule 13.09 of the Listing Rules.

On 12 December 2018 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent agreed to act as placing agent, on a reasonable effort basis, for the purposes of procuring Placees to subscribe in cash for the Bonds with an aggregate principal amount of up to CNY1.9 billion.

Placing Completion is subject to, among other things, the Placing Agent’s rights of termination of the Placing under the Placing Agreement. Accordingly, the Placing may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

This announcement is made pursuant to the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO and Rule 13.09 of the Listing Rules.

THE PLACING AGREEMENT

Date

12 December 2018 (after trading hours)

Parties

Issuer : the Company

Keepwell Provider : CMSK

Placing Agent : Ping An of China Securities (Hong Kong) Co., Ltd.

Bond Placing

Pursuant to the Placing Agreement, the Placing Agent agreed to act as placing agent, on a reasonable effort basis, for the purposes of procuring Placees to subscribe in cash for the Bonds with an aggregate principal amount of up to CNY1.9 billion.

The Placing Agent will charge a commission at certain percentage of the principal amount of the Bonds successfully placed by the Placing Agent. The commission was negotiated on arm's length basis between the Company, CMSK and the Placing Agent and determined with reference to, amongst other things, the prevailing commission rate charged by other placing agents. The Directors consider that the terms of the Placing, including the commission, are fair and reasonable and the Placing is in the interests of the Company, CMSK and the Shareholders as a whole.

Termination Rights of the Placing Agent

The Placing Agent reserves its right to terminate the arrangements set out in the Placing Agreement, by notice in writing to the Company and CMSK prior to payment of the net subscription moneys for the Bonds to the Issuer, and reserves its right to terminate the Placing Agreement in any of the following circumstances:

- (a) if there shall have come to the notice of the Placing Agent any breach of, or any event rendering untrue or incorrect in any respect, any of the warranties and representations contained in the Placing Agreement or any failure to perform any of the Company's or CMSK's undertakings or agreements in the Placing Agreement;

- (b) if any of the conditions precedent of the Placing Agreement has not been satisfied or waived by the Placing Agent on or prior to the closing date;
- (c) if in the opinion of the Placing Agent, there shall have been, since the date of the Placing Agreement, any change, or any development involving a prospective change, in national or international monetary, financial, political or economic conditions or currency exchange rates or foreign exchange controls such as would in its view be likely to prejudice materially the success of the placement and distribution of the Bonds or dealings in the Bonds in the secondary market;
- (d) if, in the opinion of the Placing Agent, there shall have occurred any of the following events: (i) a suspension or a material limitation in trading in securities generally on the New York Stock Exchange, the London Stock Exchange plc, The Stock Exchange of Hong Kong Limited, the Shanghai Stock Exchange and/or any other stock exchange on which securities of any other member of the Enlarged Group are traded; (ii) a suspension or a material limitation in trading in the securities of any other member of the Enlarged Group and/or any other stock exchange on which the securities of any other member of the Enlarged Group are traded; (iii) a general moratorium on commercial banking activities in the United States, the Cayman Islands, Hong Kong, the PRC and/or the United Kingdom declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States, the Cayman Islands, Hong Kong, the PRC or the United Kingdom; or (iv) a change or development involving a prospective change in taxation affecting the Company, CMSK, any other member of the Enlarged Group, the Bonds or the transfer thereof; or
- (e) if, in the opinion of the Placing Agent, there shall have occurred any event or series of events (including the occurrence of any local, national or international outbreak or escalation of disaster, hostility, insurrection, armed conflict, act of terrorism, act of God or epidemic) as would in its view be likely to prejudice materially the success of the placement and distribution of the Bonds or dealings in the Bonds in the secondary market.

Principal terms of the Bonds

Issuer : The Company

Principal amount : Up to CNY1.9 billion.

Interest : 4.6% per annum, payable quarterly in arrear.

- Maturity date : 18 December 2021
- Denomination : In denomination of CNY1,000,000 and integral multiples of CNY 10,000 in excess thereof
- Status : The obligations of the Company arising under the Bonds constitute direct, unconditional, unsubordinated and (subject to certain conditions) unsecured obligations of the Company and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to certain conditions, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.
- Final Redemption : Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on the Interest Payment Date falling on, or nearest to, 18 December 2021
- Redemption for Taxation Reasons : The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable), at their principal amount together with interest accrued to but excluding the date fixed for redemption, in the event of certain changes affecting taxes of Hong Kong, the Cayman Islands or the PRC, as further described in the terms and conditions of the Bonds.
- Redemption for Put Event : Following the occurrence of a Put Event, the holder of any Bond will have the right, at such holder's option, to require the Issuer to redeem all but not some only of that holder's Bonds on the put settlement date at 100% of their principal amount, together with accrued interest up to but excluding such put settlement date.
- Application for listing : No application will be made for a listing of the Bonds on the Stock Exchange or any stock or securities exchange.

Placees

The Bonds will be placed to Placees who are not, and whose ultimate beneficial owners, if applicable, are not Connected Persons of the Company.

Conditions of the Bond Placing

The Bond Placing and the obligations of the Placing Agent under the Placing Agreement are conditional upon, among other things, the delivery of consents and approvals required in relation to the Bond Placing and the issue of the Bonds to the Placing Agent.

If the above conditions are not satisfied or waived on or prior to the closing date, the Placing Agent may terminate the Placing Agreement by notice to the Company and CMSK, and the Placing Agreement will be of no further effect and no party shall be under any liability to any other in respect of the Placing Agreement, subject to certain exceptions.

The Placing Agent may also terminate the Placing Agreement if, amongst other things, it comes to the notice of the Placing Agent any breach of, or any event rendering untrue or incorrect in any respect, any of the warranties and representations contained in the Placing Agreement or any failure to perform any of the Company's or CMSK's obligations in the Placing Agreement.

Requirements relating to controlling shareholders

Under the terms and conditions of the Bonds, a Put Event occurs if CMSK ceases to directly or indirectly own or hold at least 50.1% of the issued share capital of the Company.

In addition, under the terms and conditions of the Bonds, it is an event of default if (i) any other present or future indebtedness of the Company, CMSK or any of their respective subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Company, CMSK or any of their respective subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities mentioned above in this condition have occurred equals or exceeds CNY100 million or its equivalent (on the basis of the middle spot rate for the relevant currency against CNY as quoted by People's Bank of China on the day on which this condition operates).

Furthermore, there are also certain events of default under the terms and conditions of the Bonds which may be triggered by, amongst other things, the Company, CMSK or their principal subsidiaries becoming insolvent, bankrupt, or dissolved.

If an event of default occurs, the trustee at its discretion may, and if so requested in writing by holders of at least 25% of the aggregate principal amount of the Bonds then outstanding or if so directed by an extraordinary resolution shall (provided in any such case that the trustee shall have first been indemnified and/or secured and/or pre-funded to its satisfaction), give written notice to the Issuer that the Bonds are, and they shall immediately become, due and payable at their principal amount together (if applicable) with accrued interest.

USE OF PROCEEDS

The Company is principally engaged in the development, sale, lease, investment and management of properties in the PRC and the sales of electronic and electrical related products and sales of building related materials and equipment.

Assuming the Bonds are placed in full, the maximum aggregate gross proceeds from the Bond Placing will be CNY1.9 billion. The Company intends to apply the net proceeds from the Bond Placing after deducting the placing commission and other related costs and expenses for debt refinancing and strengthening of working capital.

The completion of the Placing is subject to, among other things, the Placing Agent's rights of termination of the Placing under the Placing Agreement. Accordingly, the Placing may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

DEFINITION

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

“Board”	The board of Directors
“Bonds”	CNY1,900,000,000 4.6% senior bonds due 2021
“Bond Placing”	the placing of the Bonds by the Placing Agent on a reasonable effort basis pursuant to the terms of the Placing Agreement
“Company”	China Merchants Land Limited, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 978)

“CMSK”	China Merchants Shekou Industrial Zone Holdings Company Limited (招商局蛇口工業區控股股份有限公司), a company established in the PRC with limited liability, whose shares are listed on the Shenzhen Stock Exchange (stock code: 001979 (A share)), being the intermediate controlling shareholder of the Company and indirectly holds approximately 74.35% of the total issued share capital of the Company as at the date of this announcement
“CNY”	Renminbi, the lawful currency of the PRC
“Connected Persons”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	director(s) of the Company
“Enlarged Group”	The Company, CMSK and the other subsidiaries of CMSK
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any professional, institutional and other investor whom the Placing Agent has procured to subscribe for any of the Bonds pursuant to the Placing Agreement
“Placing”	the placing of the Bonds pursuant to the terms set out in the Placing Agreement
“Placing Agent”	Ping An of China Securities (Hong Kong) Co., Ltd., the sole placing agent in respect of the bonds
“Placing Agreement”	the conditional placing agreement dated 12 December 2018 and entered into between the Company, CMSK and the Placing Agent as placing agent in relation to the Bond Placing

“PRC”	the People’s Republic of China which, for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Put Event”	A “Put Event” occurs when CMSK ceases to directly or indirectly own or hold at least 50.1% of the issued share capital of the Company
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	the holder(s) of issued ordinary shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

On behalf of the Board
China Merchants Land Limited
XU Yongjun
Chairman

Hong Kong, 12 December 2018

As at the date of this announcement, the Board comprises Mr. XU Yongjun, Mr. HUANG Junlong and Ms. LIU Ning as non-executive Directors; Dr. SO Shu Fai, Mr. YU Zhiliang and Mr. WONG King Yuen as executive Directors and Dr. WONG Wing Kuen, Albert, Ms. CHEN Yanping, Dr. SHI Xinping and Mr. HE Qi as independent non-executive Directors.