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**DISCLOSEABLE TRANSACTION
COOPERATION AGREEMENT**

The Board is pleased to announce that on 31 May 2017, Foshan Merchants Property, an indirect wholly-owned subsidiary of the Company, entered into the Cooperation Agreement with Guangzhou Dingjia Property pursuant to which, among other things, Foshan Merchants Property and Guangzhou Dingjia Property shall jointly develop the Foshan Land through the Project Company. Foshan Merchants Property has conditionally agreed to contribute an amount of RMB10,000,000 in the registered capital of the Project Company. Upon completion of the capital contribution by Foshan Merchants Property, the Project Company shall be held as to 50% by Foshan Merchants Property and as to 50% by Guangzhou Dingjia Property.

Foshan Merchants Property and Guangzhou Dingjia Property have agreed to bear the Land Consideration and related development, operating and investment fees in proportion to their proposed shareholding in the Project Company. As of the date of this announcement, Guangzhou Dingjia Property has provided a shareholder's loan amounting to RMB518,950,000 to the Project Company for the first instalment of the Land Consideration. According to the Cooperation Agreement, Foshan Merchants Property shall reimburse 50% of the said shareholder's loan (i.e. RMB518,950,000) together with the interest incurred thereon.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the transactions as contemplated under the Cooperation Agreement exceed 5% but are less than 25%, the entering into of the Cooperation Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirement but exempted from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

COOPERATION AGREEMENT

On 31 May 2017, Foshan Merchants Property, an indirect wholly-owned subsidiary of the Company, entered into the Cooperation Agreement with Guangzhou Dingjia Property for the development of the Foshan Land through the Project Company. The principal terms of the Cooperation Agreement are set out as follows:

Date: 31 May 2017

Parties:

- (a) Foshan Merchants Property, an indirect wholly-owned subsidiary of the Company; and
- (b) Guangzhou Dingjia Property, a company established in the PRC with limited liability and is principally engaged in property development.

Guangzhou Dingjia Property is a fellow subsidiary of Nanjing Future Land, which holds 34% of the equity interests of Nanjing Huinong, a jointly-controlled entity but a non-subsiary of the Company under the Listing Rules. Save for the aforesaid connections, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, Guangzhou Dingjia Property and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Basic information of the Foshan Land

On 29 March 2017, Guangzhou Dingjia Property had successfully bidden the Foshan Land, i.e. a piece of land situated at the east side of Jianshe Yilu, Xinan Street, Sanshui District, Foshan City, Guangdong Province, the PRC* (中國廣東省佛山市三水區西南街道建設一路東側), for a total consideration of RMB1,037,900,000. The Foshan Land has a total site area of approximately 47,252.97 sq. m., and its permitted plot ratio is 3.5. It is designated for residential usage and commercial usage with a term of usage for 70 years and 40 years respectively.

Contribution to the registered capital of the JV Company

As at the date of this announcement and before the capital contribution to be made by Foshan Merchants Property, the Project Company is wholly owned by Guangzhou Dingjia Property and has a registered capital of RMB10,000,000.

Foshan Merchants Property and Guangzhou Dingjia Property shall jointly develop the Foshan Land through the Project Company. Foshan Merchants Property has conditionally agreed to contribute an amount of RMB10,000,000 in the registered capital of the Project Company, subject to the satisfaction of the following conditions:

- (a) the Project Company has been legally established with its initial registered capital of RMB10,000,000 being paid-up;
- (b) the Project Company has signed a supplemental agreement with the relevant PRC government authority to take up the rights and obligations of the Foshan Land in lieu of Guangzhou Dingjia Property under the Contract for Assignment and related bidding documents; and

- (c) Guangzhou Dingjia Property or the Project Company has paid the relevant portion of the Land Consideration and fees for the corresponding phrases in accordance with the Contract for Assignment.

Upon completion of the capital contribution by Foshan Merchants Property, the Project Company shall be held as to 50% by Foshan Merchants Property and as to 50% by Guangzhou Dingjia Property.

Land Consideration

The Land Consideration shall be payable in two instalments. The first instalment, being 50% of the Land Consideration, shall be payable on 4 May 2017 and the second instalment, being the remaining 50% of the Land Consideration, shall be payable by 4 October 2017, which is six months after the signing of the bidding confirmation.

Foshan Merchants Property and Guangzhou Dingjia Property have agreed to bear the Land Consideration and related development, operating and investment fees in proportion to their proposed shareholding in the Project Company. As of the date of this announcement, Guangzhou Dingjia Property has provided a shareholder's loan amounting to RMB518,950,000 to the Project Company for the first instalment of the Land Consideration. According to the Cooperation Agreement, Foshan Merchants Property shall reimburse 50% of the said shareholder's loan (i.e. RMB518,950,000) together with the interest incurred thereon.

The capital contribution to be made to the Project Company by Foshan Merchants Property and the payment of 50% of the Land Consideration by Foshan Merchants Property shall be funded by the Group's internal resources and/or banking facilities.

Management of the Project Company

The board of directors of the Project Company shall consist of 5 directors. Guangzhou Dingjia Property shall nominate 3 directors, and Foshan Merchants Property shall nominate 2 directors. The chairman of the board of directors of the Project Company shall be a director nominated by Guangzhou Dingjia Property and shall act as the legal representative of the Project Company.

REASONS FOR AND BENEFITS OF THE COOPERATION AGREEMENT AND THE TRANSACTIONS THEREUNDER

The Group 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.

Each of Guangzhou Dingjia Property and Foshan Merchants Property would benefit from the cooperation in order to exert their strengths, grasp market opportunities and enhance their investment portfolio in the property market in the PRC, which would improve the capital efficiency and effectiveness and reduce the investment risks and thus a greater return could be created for the Shareholders.

The terms of the Cooperation Agreement have been arrived at after arm's length negotiations between the parties. The Directors (including the independent non-executive Directors) have confirmed that the terms of the Cooperation Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole.

FINANCIAL IMPACT

According to the Cooperation Agreement, without prejudice to the interests of Foshan Merchants Property, the financial results of the Project Company shall be consolidated into the accounts of Guangzhou Dingjia Property. Therefore, the financial results, assets and liabilities of the Project Company shall not be consolidated into the accounts of the Group.

PARTICULARS OF THE PARTIES

The Company is an investment holding company incorporated in the Cayman Islands. Its subsidiaries are principally engaged in (i) the development, sale, lease, investment and management of properties; and (ii) the sales of electronic and electrical related products and sales of building related materials and equipment.

The Project Company was established in the PRC on 25 April 2017 for the sole purpose of property development. As at the date of the announcement and before the capital contribution to be made by Foshan Merchants Property, the Project Company has a registered capital of RMB10,000,000 and is wholly owned by Guangzhou Dingjia Property.

Guangzhou Dingjia Property is a company established in the PRC with limited liability and is principally engaged in property development.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the transactions as contemplated under the Cooperation Agreement exceed 5% but are less than 25%, the entering into of the Cooperation Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirement but exempted from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	China Merchants Land Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 0978)

“Contract for Assignment”	國有建設用地使用權出讓合同 (the Contract for State-Owned Construction Land Use Right Assignment*) entered into between Guangzhou Dingjia Property and the relevant PRC governmental authority for the assignment of land use rights of the Foshan Land
“Cooperation Agreement”	A cooperation agreement dated 31 May 2017 entered into between Guangzhou Dingjia Property and Foshan Merchants Property in respect of, among others, the conditional capital contribution to the Project Company by Foshan Merchants Property and the framework under which the parties shall operate the Project Company for developing the Foshan Land
“Director(s)”	the director(s) of the Company
“Foshan Land”	a piece of land situated at the east side of Jianshe Yilu, Xinan Street, Sanshui District, Foshan City, Guangdong Province, the PRC* (中國廣東省佛山市三水區西南街道建設一路東側) with a total site area of approximately 47,252.97 sq. m.
“Foshan Merchants Property”	佛山招商房地產有限公司 (Foshan Merchants Property Development Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Guangzhou Dingjia Property”	廣州鼎佳房地產有限公司 (Guangzhou Dingjia Property Development Co., Ltd.*), a company established in the PRC with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Land Consideration”	RMB1,037,900,000, being the aggregate consideration payable for acquisition of the Foshan Land to the relevant land authority of the Foshan City, Guangdong Province of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Nanjing Future Land”	南京新城萬嘉房地產有限公司 (Nanjing Future Land Wanjia Real Estate Company Limited*), a company established in the PRC with limited liability

“Nanjing Huinong”	南京滙隆房地產有限公司 (Nanjing Huinong Real Estate Company Limited*), a company established in the PRC with limited liability
“PRC”	the People’s Republic of China which, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Project Company”	佛山鼎圖房地產有限公司 (Foshan Dingtú Property Development Co., Ltd.*), a company established in the PRC with limited liability on 25 April 2017 by Guangzhou Dingjia Property for the sole purpose of property development in accordance with its articles of association
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“sq. m.”	square meter
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

By Order of the Board
China Merchants Land Limited
XU Yongjun
Chairman

Hong Kong, 31 May 2017

As at the date of this announcement, the Board comprises Mr. XU Yongjun, Mr. HUANG Junlong, Dr. YAN Chengda 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.

* *Unofficial English translation denotes for identification purposes only*