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CHINA MERCHANTS LAND LIMITED

招商局置地有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 978)

**DISCLOSEABLE TRANSACTION
FURTHER ACQUISITION OF LAND USE RIGHT
IN XI'AN CITY, THE PRC**

FURTHER ACQUISITION OF LAND USE RIGHT

Reference is made to the announcement of the Company dated 20 September 2019 in relation to the First Acquisition by Nanjing Zhaoping Lisheng, an indirect non-wholly owned subsidiary of the Company, in respect of the land use right of the First Land.

The Board is pleased to announce that on 19 January 2020, Nanjing Zhaoping Lisheng has further successfully won a bidding in respect of the land use right of the Second Land situated at Xi'an City of the PRC at the price of RMB160,200,000. Xi'an Land Bureau has issued to Nanjing Zhaoping Lisheng the Land Transfer Confirmation dated 19 January 2020. Nanjing Zhaoping Lisheng shall enter into the Land Use Rights Grant Contract with Xi'an Land Bureau in relation to the Second Acquisition within 10 working days after the Land Transfer Confirmation is issued.

LISTING RULES IMPLICATIONS

The Second Acquisition is regarded as a qualified property acquisition under Rule 14.04(10C) of the Listing Rules as the Second Acquisition involves an acquisition of governmental land(s) from a PRC Governmental Body (as defined under the Listing Rules) through an auction governed by the PRC laws (as defined under the Listing Rules), which is undertaken by the Group on a sole basis in its ordinary and usual course of business.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the consideration of the Second Acquisition exceeds 5% but is less than 25%, the Second Acquisition constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

Pursuant to Rule 14.22 of the Listing Rules, the First Acquisition and the Second Acquisition will be aggregated as these transactions involve a series of acquisitions by the same subsidiary of the Group in respect of lands which are adjacent to each other and they are completed within a 12-month period. The First Acquisition and the Second Acquisition, when aggregated, remain a discloseable transaction of the Company under Chapter 14 of the Listing Rules as one or more of the applicable percentage ratios in respect of the consideration of the Acquisitions exceeds 5% but is less than 25%.

INTRODUCTION

Reference is made to the announcement of the Company dated 20 September 2019 in relation to the First Acquisition by Nanjing Zhaoping Lisheng, an indirect non-wholly owned subsidiary of the Company, in respect of the land use right of the First Land.

The Board is pleased to announce that on 19 January 2020, Nanjing Zhaoping Lisheng has further successfully won a bidding in respect of the land use right of the Second Land situated at Xi'an City of the PRC at the price of RMB160,200,000. Xi'an Land Bureau has issued to Nanjing Zhaoping Lisheng the Land Transfer Confirmation dated 19 January 2020. Nanjing Zhaoping Lisheng shall enter into the Land Use Rights Grant Contract with Xi'an Land Bureau in relation to the Second Acquisition within 10 working days after the Land Transfer Confirmation is issued.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, Xi'an Land Bureau and its ultimate beneficial owner are Independent Third Parties.

DETAILS OF THE SECOND LAND

The Second Land is situated at North of Xiangdong Road, West of Gangwu Xi Road, Xi'an International Trade & Logistics Park, Xi'an City, Shaanxi Province, the PRC. The Second Land has a total site area of 19,717 sq.m. and the total capacity of building area is less than or equal to 88,727 sq.m.. The Second Land is designated for commercial usage with a term of 40 years.

CONSIDERATION

The price of the land use rights of the Second Land is RMB160,200,000 (representing an average price of approximately RMB8,125 per sq.m. in terms of total site area), is payable in cash in full amount within 60 days following the execution of the Land Use Right Grant Contract.

Pursuant to the terms of the Land Transfer Confirmation, the security deposit for the auction paid by Nanjing Zhaoping Lisheng in the amount of RMB81,000,000 was automatically applied as a deposit for the price of the Second Land.

The Group's share in aggregate consideration payable for the Second Acquisition, inclusive of the related costs and tax amount, is approximately RMB485,217,162, which shall be financed by the Group's internal resources.

The price of the land use rights of the Second Land was derived from a public auction held by Xi'an Land Bureau on 19 January 2020, which was conducted in accordance with the terms of the auction promulgated by Xi'an Land Bureau.

REASONS FOR AND BENEFITS OF THE SECOND ACQUISITION

The Second Acquisition is conducted in the ordinary and usual course of business of the Group. In view of the location and the designated use of the Second Land, Directors consider that the Acquisition of the Second Land is in line with the business development strategy and planning of the Group. The Directors (including independent non-executive Directors) consider that the Second Acquisition is carried out in the ordinary and usual course of business and are on normal commercial terms which are fair and reasonable and in the interests of the shareholders of the Company as a whole.

PARTICULARS OF THE PARTIES

The Group is engaged in, among others, (i) development, sale, lease, investment and management of properties; (ii) sale of electronics and products related to electrical appliances and sale of construction materials and equipment; and (iii) REIT Management Business. Nanjing Zhaoping Lisheng is principally engaged in property development in the PRC.

IMPLICATIONS ON THE LISTING RULES

The Second Acquisition is regarded as a qualified property acquisition under Rule 14.04(10C) of the Listing Rules as the Second Acquisition involves an acquisition of governmental land(s) from a PRC Governmental Body (as defined under the Listing Rules) through an auction governed by the PRC laws (as defined under the Listing Rules), which is undertaken by the Group on a sole basis in its ordinary and usual course of business.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the consideration of the Second Acquisition exceeds 5% but is less than 25%, the Second Acquisition constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

Pursuant to Rule 14.22 of the Listing Rules, the First Acquisition and the Second Acquisition will be aggregated as these transactions involve a series of acquisitions by the same subsidiary of the Group in respect of lands which are adjacent to each other and they are completed within a 12-month period. The First Acquisition and the Second Acquisition, when aggregated, remain a discloseable transaction of the Company under Chapter 14 of the Listing Rules as one or more of the applicable percentage ratios in respect of the consideration of the Acquisitions exceeds 5% but is less than 25%.

DEFINITIONS

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

“Acquisitions”	the First Acquisition and the Second Acquisition
“Board”	the board of Directors
“Company”	China Merchants Land Limited, a 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: 978)
“Director(s)”	the director(s) of the Company
“First Acquisition”	the acquisition of land use rights of the First Land through public bidding process
“First Land”	a piece of land situated at South of Liuxin Road, West of Gangwu Xi Road, Xi’an International Trade and Logistics Park, Xi’an City, Shaanxi Province, the PRC with a total site area of 20,288 sq.m. and the total capacity of building area is less than or equal to 111,579 sq.m., designated for commercial usage with a term of 40 years

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	an independent third party not connected with the Company and its subsidiaries, their respective directors, chief executives and substantial shareholders and any of their associates within the meaning of the Listing Rules
“Land Transfer Confirmation”	the confirmation notice (土地成交確認書) dated 19 January 2020 issued by Xi’an Land Bureau to Nanjing Zhaoping Lisheng confirming the successful bidding of the Second Land
“Land Use Rights Grant Contract”	the land use rights grant contract (國有建設用地使用權出讓合同) to be entered into between Nanjing Zhaoping Lisheng and Xi’an Land Bureau within 10 working days after the issue of the Land Transfer Confirmation
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Nanjing Zhaoping Lisheng”	Nanjing Zhaoping Lisheng Investment Co., Ltd.* (南京招平利盛投資有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“PRC”	the People’s Republic of China (excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan)
“PRC Governmental Body”	has the meaning ascribed to it under the Listing Rules
“RMB”	Renminbi, the lawful currency of the PRC
“Second Acquisition”	the acquisition of land use rights of the Second Land through public bidding process

“Second Land”	a piece of land situated at North of Xiangdong Road, West of Gangwu Xi Road, Xi’an International Trade and Logistics Park, Xi’an City, Shaanxi Province, the PRC with a total site area of 19,717 sq.m. and the total capacity of building area is less than or equal to 88,727 sq.m., designated for commercial usage with a term of 40 years
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholders”	shareholders of the Company
“sq.m.”	square metre
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“Xi’an Land Bureau”	Xi’an City Natural Resources and Planning Bureau* (西安市自然資源和規劃局), an Independent Third Party
“%”	per cent

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

Hong Kong, 19 January 2020

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.

* *Unofficial English translation denotes for identification purposes only*