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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)**

## **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO TENANCY AGREEMENT**

Reference is made to the announcement of the Company dated 4 December 2020 (the “**Announcement**”) in relation to a continuing connected transaction relating to Tenancy Agreement. Terms used herein shall have the same meanings as defined in the Announcement unless otherwise stated.

As disclosed in the Announcement, on 4 December 2020, the Tenant, an indirect wholly-owned subsidiary of the Company, entered into the Tenancy Agreement with the Landlord for the lease of the Premises for a rental term of twenty years. As the Landlord is a connected person of the Company, the above transaction was disclosed as a continuing connected transaction under Chapter 14A of the Listing Rules.

The Board wishes to announce that the transaction under the Tenancy Agreement shall be classified as a connected transaction of the Company instead of a continuing connected transaction of the Company under the application of Hong Kong Financial Reporting Standards 16 (“**HKFRS 16**”).

The Group, as the tenant, will recognize right-of-use assets according to HKFRS 16, with the value of such right-of-use assets to be recognized being RMB129,538,970. The Company has confirmed with its auditors on the application of HKFRS 16 on the lease under the Tenancy Agreement. The transaction under the Tenancy Agreement should be regarded as an acquisition of asset under the definition of transaction set out in Rule 14.04(1)(a) and Rule 14A.24(1) of the Listing Rules. Given that the value of right-of-use asset recognised under the Tenancy Agreement shall be RMB129,538,970 and the highest of the applicable percentage ratios in respect of the value of right-of-use asset under the Tenancy Agreement is more than 0.1% but less than 5%, the Tenancy Agreement remains subject to announcement and reporting requirements only and is still exempt from independent Shareholders' approval under Chapter 14A of the Listing Rules, and does not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

Save for the information stated above, all the information in the Announcement remains unchanged.

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

Hong Kong, 23 December 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 Xinpeng and Mr. HE Qi as independent non-executive Directors.*

*If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.*