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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)**

## **PROFIT WARNING**

This announcement is made by China Merchants Land Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) hereby informs the shareholders of the Company and potential investors that based on the Board’s preliminary assessment of the Group’s unaudited consolidated management accounts for the year ended 31 December 2022, which have not been reviewed by the Company’s auditors, the net profit attributable to the owners of the Company is expected to decrease by approximately 40%, as compared to the corresponding period in 2021 (approximately RMB560 million), primarily due to the reasons as stated below:

- (a) compared with the same period in 2021, the projects with low gross profit margin accounted for a higher proportion in the Group’s projects carried forward for the year ended 31 December 2022 and therefore the overall gross profit margin decreased; and
- (b) for the year ended 31 December 2022, the proportion of the Group’s projects through non-wholly owned subsidiaries to the Group’s projects carried forward increased and therefore the net profit attributable to the shareholders of the Company decreased.

The Board considers the current fundamentals of the Company is healthy. In recent years, the Company has continued to adhere to its development strategy of “focusing on quality areas for long-term in-depth urban development”, focusing on acquiring resources in top cities such as Hong Kong, Nanjing and Chongqing, focusing on steady development and enhancing the quality of investment, while choosing excellent partners and actively increasing the proportion of equity interests in projects. In the future, the Company will take practical actions and efforts to further deepen its advantages of capital security, innovation in production and finance, and financial soundness under the general principle of improving quality and efficiency, stabilise the fundamentals of its property development business, explore new development models in the industry to facilitate the Group’s stabilisation of profitability and operation scale, for building a foundation for the Company’s value enhancement.

As the Company is still in the course of preparing its results for the year ended 31 December 2022, the information contained in this announcement is only based on the preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the year ended 31 December 2022, which have not been reviewed by the auditors of the Company, and information currently available to the Board. The actual results of the Group for the year ended 31 December 2022 may be different from disclosures in this announcement. Further details on the financial results will be disclosed in due course pursuant to the requirements of the Listing Rules when the Group publishes its annual results for the year ended 31 December 2022.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

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

Hong Kong, 10 February 2023

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