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If you have sold or transferred all your shares in China Merchants Land Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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CHINA MERCHANTS LAND LIMITED
招商局置地有限公司

(Incorporated with limited liability in the Cayman Islands)

(Stock Code: 978)

MAJOR TRANSACTION
ACQUISITION OF LAND USE RIGHT IN FOSHAN CITY,
GUANGDONG PROVINCE, THE PRC

24 August 2017

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DEFINITIONS

In this circular, unless the context otherwise required, the following terms and expressions shall have the following meanings when used herein:

“Acquisition”	the acquisition of land use rights of the Land through public bidding process
“Board”	the board of Directors
“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 shares)), being the intermediate controlling shareholder of the Company and indirectly holding approximately 74.35% of the total issued share capital of the Company as at the Latest Practicable Date
“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)
“Director(s)”	the director(s) of the Company
“Foshan Bureau”	Foshan Bureau of Land Resource and City Planning* (廣東省佛山市國土資源和城鄉規劃局)
“Foshan Merchants Brilliant Property”	Foshan Merchants Brilliant Property Development Co., Ltd.* (佛山招商光華房地產有限公司) a company established in the PRC with limited liability and a wholly-owned subsidiary of Foshan Merchants Property
“Foshan Merchants Property”	Foshan Merchants Property Development Co., Ltd.* (佛山招商房地產有限公司), a company established in the PRC with limited liability and an indirectly wholly-owned subsidiary of the Company
“Foshan Public Resource Trading Centre”	Foshan Public Resource Trading Centre, Nanhai Branch* (佛山市公共資源交易中心南海分中心)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“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”	a piece of land situated at Nan Jin Village Committee Lot, Sha Long Road, Jiujiang Town, Nanhai District, Foshan City, Guangdong Province, the PRC (中國廣東省佛山市南海區九江鎮沙龍路南金村委會地段), with a total site area of approximately 81,356.9 sq.m., designated for commercial and residential usage with a term of 40 and 70 years, respectively
“Land Transfer Confirmation”	the confirmation notice (土地成交確認書) dated 5 June 2017 issued by Foshan Public Resource Trading Centre to Foshan Merchants Property confirming the successful bidding of the 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) entered into between Foshan Merchants Property and Foshan Bureau on 16 June 2017
“Latest Practicable Date”	21 August 2017, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its publication
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“PRC”	the People’s Republic of China, and for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Governmental Body”	has the meaning ascribed to it under the Listing Rules
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“sq.m.”	square metre

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“%”	percent

* *Unofficial English translation denotes for identification purposes only*

In this circular, the terms “associate”, “connected person”, “controlling shareholder”, “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

Certain amounts and percentage figures included in this circular have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.



CHINA MERCHANTS LAND LIMITED

招商局置地有限公司

(Incorporated with limited liability in the Cayman Islands)

(Stock Code: 978)

Non-executive Directors:

XU Yongjun (*Chairman*)

HUANG Junlong

YAN Chengda

LIU Ning

Registered office:

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

Executive Directors:

SO Shu Fai

YU Zhiliang

WONG King Yuen

Principal place of

business in Hong Kong:

Room 2603-2606, 26/F

China Merchants Tower

Shun Tak Centre

Nos. 168–200 Connaught Road Central

Hong Kong

Independent Non-executive Directors:

WONG Wing Kuen, Albert

CHEN Yanping

SHI Xinping

HE Qi

24 August 2017

To the Shareholders,

Dear Sir or Madam,

**MAJOR TRANSACTION
ACQUISITION OF LAND USE RIGHT IN FOSHAN CITY,
GUANGDONG PROVINCE, THE PRC**

INTRODUCTION

Reference is made to the announcement of the Company dated 16 June 2017 in relation to the Acquisition. The main purpose of this circular is to provide you with further details of the Acquisition.

LETTER FROM THE BOARD

ACQUISITION OF THE LAND

On 26 May 2017, Foshan Merchants Property had successfully bid the land use right of the Land at the price of RMB2,015,060,000. On 5 June 2017, Foshan Public Resource Trading Centre, which is an Independent Third Party, issued the Land Transfer Confirmation to Foshan Merchants Property. On 16 June 2017, Foshan Merchants Property entered into the Land Use Rights Grant Contract with Foshan Bureau in relation to the Acquisition.

Subsequently, on 5 July 2017, Foshan Merchants Property established Foshan Merchants Brilliant Property in the PRC as its wholly-owned subsidiary. On 11 July 2017, Foshan Merchants Property, Foshan Bureau and Foshan Merchants Brilliant Property entered into a supplemental agreement to the Land Use Rights Grant Contract, under which Foshan Merchants Brilliant Property shall take up all the rights, benefits and obligations of the land use rights of the Land in place of Foshan Merchants Property.

PRINCIPAL TERMS OF THE LAND USE RIGHTS IN RELATION TO THE LAND

Date of the supplemental agreement to the Land Use Rights Grant Contract	:	11 July 2017
Parties	:	Foshan Merchants Property, Foshan Bureau, and Foshan Merchants Brilliant Property
		To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Foshan Bureau and its ultimate beneficial owner are Independent Third Parties.
Location of the Land	:	Nan Jin Village Committee Lot, Sha Long Road, Jiujiang Town, Nanhai District, Foshan City, Guangdong Province, the PRC (中國廣東省佛山市南海區九江鎮沙龍路南金村委會地段)
Total site area	:	81,356.9 sq.m.
Permitted plot ratio	:	2.85
Nature of the land use rights	:	Commercial and residential usage with a term of 40 years and 70 years, respectively
Land Price	:	RMB2,015,060,000

LETTER FROM THE BOARD

Payment of the Land Price

The price of the land use rights of the Land was derived from a public auction held by Foshan Public Resource Trading Centre on 26 May 2017, which was conducted in accordance with the terms of the auction promulgated by Foshan Public Resource Trading Centre. The land deposit in the amount of RMB161,420,000, being part of the price of the Land, and RMB846,110,000 had been paid by Foshan Merchants Property before 16 July 2017. The remaining portion of the price of the Land in the amount of RMB1,007,530,000 is payable in cash on or before 13 October 2017.

The aggregate consideration payable for the Acquisition, inclusive of the related tax amount of approximately RMB61,459,330, is approximately RMB2,076,519,330, which shall be financed by the Group's internal resources.

Development of the Land

The Land is intended to be developed for commercial and residential properties which will be sold. Construction work on the Land is expected to commence in the fourth quarter of 2017 and be completed in the third quarter of 2022. It is expected that the Group will generate revenue from the sale of commercial and residential properties on the Land, which shall commence around the second quarter of 2018.

ESTABLISHMENT OF FOSHAN MERCHANTS BRILLIANT PROPERTY

Foshan Merchants Brilliant Property has been established by Foshan Merchants Property in the PRC on 5 July 2017 for the sole purpose of conducting the development of the Land. As at the Latest Practicable Date, Foshan Merchants Brilliant Property is a direct wholly-owned subsidiary of Foshan Merchants Property.

PARTICULARS OF FOSHAN BUREAU

Foshan Bureau is a PRC Governmental Body and the seller of the land use rights of the Land. To the best knowledge, information and belief of the Directors' having made all reasonable enquiries, Foshan Bureau and its beneficial owners (if any) are Independent Third Parties.

PARTICULARS OF THE GROUP

The Group is principally engaged in the development, sale, lease, investment and management of properties in the PRC. Foshan Merchants Property is engaged in property development in the PRC. Foshan Merchants Brilliant Property is engaged in the development of the Land in the PRC.

LETTER FROM THE BOARD

REASONS FOR THE ACQUISITION

The 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 Land, the Directors consider that the Acquisition is in line with the business development strategy and planning of the Group. Foshan city is one of the cities that the Group focuses on and hence the development of the Land is in line with the strategic development of the Group. The Directors (including the independent non-executive Directors) consider that the Acquisition is a transaction of revenue nature and is carried out in the Group's ordinary and usual course of business on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

FINANCIAL EFFECT OF THE ACQUISITION

The aggregate consideration payable for the Acquisition, inclusive of related tax, is estimated to be approximately RMB2,076,519,330, which shall be funded by the Group's internal resources. As at 30 June 2017, the Group has cash and cash equivalents of approximately RMB6,935,000,000. The Directors consider that the Group's contribution to the Acquisition shall not have any immediate material effect on the total assets, earnings and liabilities of the Group.

Assuming the Acquisition had been effected on 31 December 2016, there is no financial effect of such acquisition on the total assets, earnings and liabilities of the Group. A breakdown of the financial effects of such acquisition on the total assets, earnings and liabilities of the Group are as follows:

	Before the transactions	After the transactions
Total assets (<i>Note 1</i>)	RMB48,446,368,000	RMB48,446,368,000
Earnings per Share (<i>Note 2</i>) (<i>Note 3</i>)	RMB16.54 cents	RMB16.54 cents
Total liabilities (<i>Note 4</i>)	RMB34,338,398,000	RMB34,338,398,000

Note 1: The funds used to finance the consideration for the Acquisition are financed using the Group's own funds. As the value of the consideration is equal to the value of the Land, the decrease in the Group's funds is offset by the corresponding increase in the value of its assets.

Note 2: Reference is made to the earnings per Share in the Company's announcement of the audited financial results for the financial year ended 31 December 2016 released on 7 March 2017 where the computation does not assume the conversion of the Group's outstanding convertible bonds since their exercise would result in an increase in earnings per Share.

Note 3: The impact of the Acquisition on the profit of the year attributable to owners of the Company, if any, cannot be ascertained at this point of time, and in any case, will not affect the number of shares issued by the Group. Thus the earnings per share will not be affected.

Note 4: As Group does not incur any debt in relation to the Acquisition, the total liabilities of the Group are not affected.

LETTER FROM THE BOARD

IMPLICATIONS UNDER THE LISTING RULES

On the basis that one or more of the applicable percentage ratios by reference to Rule 14.07 of the Listing Rules in respect of the consideration of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules.

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

The Acquisition is only subject to reporting and announcement requirements but is exempt from Shareholders’ approval requirements pursuant to Rule 14.33A of the Listing Rules.

ADDITIONAL INFORMATION

Your attention is also drawn to the financial results of the Group and general information set out in the appendices to this circular.

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

1. AUDITED FINANCIAL RESULTS OF THE GROUP

Details of the audited financial results of the Group for each of the financial years ended 31 December 2014, 31 December 2015 and 31 December 2016 are available on the website of the Stock Exchange (<http://www.hkex.com.hk>) and the website of the Company (<http://ir.cmland.hk>) in the following documents:

- (i) for the year ended 31 December 2014, on pages 98 to 213 of the annual report of the Company for the year ended 31 December 2014 released on 19 March 2015 at <http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0319/LTN20150319421.pdf>;
- (ii) for the year ended 31 December 2015, on pages 111 to 251 of the annual report of the Company for the year ended 31 December 2015 released on 22 March 2016 at <http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0322/LTN20160322400.pdf>;
- (iii) for the year ended 31 December 2016, on pages 120 to 259 of the annual report of the Company for the year ended 31 December 2016 released on 5 April 2017 at <http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0405/LTN20170405383.pdf>.

There was no qualified opinion issued for the audited financial results of the Group for the last three financial years.

2. INDEBTEDNESS STATEMENT

Borrowings

As at the close of business on 30 June 2017, being the most recent practicable date for the purpose of the statement of indebtedness, the borrowings and loans of the Group prior to printing of this circular were shown as below:

	30 June 2017 <i>RMB'000</i>
Bank and other borrowings	5,343,670
Bonds payable	3,363,986
Convertible bonds	1,713,740
Loans from an intermediate holding company	3,349,198
Loans from non-controlling equity holders of subsidiaries of the Group	<u>3,778,273</u>
Total	<u><u>17,548,867</u></u>

	30 June 2017 <i>RMB'000</i>
Secured	140,000
Unsecured	17,408,867
	<hr/>
Total	17,548,867
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Carrying amounts repayable:	
Within one year or on demand, disclosed as current liabilities	11,240,128
More than one year, but not exceeding two years, disclosed as non-current liabilities	5,021,776
More than two years, but not exceeding five years, disclosed as non-current liabilities	1,286,963
	<hr/>
Total	17,548,867
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Contingent Liabilities

As at 30 June 2017, the Group had outstanding guarantees for mortgage loans of its customers in the amount of approximately RMB4,303,000,000.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, dividend payable and normal trade payables in the normal course of business at the close of business on 30 June 2017, the Group did not have any other debt securities issued and outstanding or agreed to be issued, outstanding bank or other borrowings, mortgages, charges, debentures or other loan capital or other similar indebtedness, guarantee, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, hire purchase or other finance lease commitments, indemnities or other material contingent liabilities.

As at 30 June 2017, the Group had cash and bank balances of approximately RMB6,935,000,000. The monetary assets and liabilities and business transactions of the Group are mainly carried and conducted in RMB, US\$ and HK\$. The Group maintains a prudent strategy in its foreign exchange risk management, where foreign exchange risks are minimised via balancing the monetary assets versus monetary liabilities. As the convertible bonds and the bond were denominated in US\$, while the Group conducts its sales, receivables, payables and expenditures in RMB for its PRC property development business, the management will closely monitor the volatility between RMB and US\$ exchange rates and might consider hedging should the need arises.

As at 30 June 2017, the capital structure of the Group consists of net debts, net of cash and cash equivalents and equity attributable to owners of the Company,

comprising issued share capital, share premium and various reserves. As at the Latest Practicable Date, the Directors have confirmed that there has been no material change in the indebtedness or any contingent liabilities of the Group since 31 December 2016, being the date to which the latest published audited financial statements of the Company were made up.

Pledge of Assets

Save for properties for sale in Chongqing with carrying value of approximately RMB362,000,000 having been pledged to secure bank borrowings amounting to approximately RMB140,000,000 granted to the Group as at 30 June 2017, the Group did not have any changes in pledge or charge on its assets including property, plant and equipment or properties under development for sale.

3. WORKING CAPITAL

Taking into account the effect of the transactions contemplated under the Land Use Rights Grant Contract and the present internal financial resources available to the Group, including cash and bank balances as well as the available banking facilities, the Directors are of the opinion that the Group has sufficient working capital for its requirements for at least 12 months from the date of publication of this circular.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2016, the date to which the latest published audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECT OF THE GROUP

As disclosed in the Company's annual report for the year ended 31 December 2016, China's economy is still experiencing a serious structural problem. China's economy will gradually undergo sustainable economic development. The properties market will continue to face regional polarisation. The markets in first and second tier cities will enter adjustment stage, while those in third and fourth tier cities still consider destocking as its major task. It is expected that the adjustment policies will continue to stabilise the demand of homes for self-occupation, and suppress home buying for investment. Against the backdrop of such adjustment and increasing interest rate, the property market will move forward with pressure. The formidable participants in the industry will stay strong, resulting in more frequent opportunities of mergers and acquisitions activities. The Group will closely monitor the market dynamics as usual, and strive to achieve the sales and profit targets that will maximise competitive advantages. The Group will seek to invest in property development projects that magnify the Company's development potential and the Shareholders' return.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

Interests and Short Positions of the Directors and Chief Executive in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at the Latest Practicable Date, the interests and short positions of each Director and chief executive of the Company in the shares or underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which he was deemed or taken to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long positions in Shares

Name of Director	Nature of interest	Number of Shares held	Approximate percentage(%) in the issued share capital of the Company
So Shu Fai	Through controlled corporations (<i>Note</i>)	32,054,066 (L)	0.65%

Note: These shares are held by Skill China Limited (“Skill China”). Fortune Alliance Group Limited is entitled to exercise or control the exercise of more than one-third of the voting power at general meetings of Skill China. Hence Fortune Alliance Group Limited is deemed to be interested in the shares held by Skill China. Fortune Alliance Group Limited is in turn controlled by Joint profit Limited, which is beneficially wholly-owned by Dr. SO Shu Fai, an executive Director of the Company. Hence Dr. SO Shu Fai is deemed to be interested in the shares held by Skill China. Skill China, Fortune Alliance Group Limited and Joint profit Limited are companies incorporated in the British Virgin Islands with limited liability.

Long positions in underlying Shares of associated corporation

Name of Director	Nature of interest	Number of Shares held	Approximate percentage (%) in the issued share capital of the Company
XU Yongjun	Beneficial owner	704,000	0.00%
HUANG Junlong	Beneficial owner	372,000	0.00%
LIU Ning	Beneficial owner	372,000	0.00%
YU Zhiliang	Beneficial owner	200,000	0.00%

Note: These are the underlying Shares involved in the share options granted by CMSK (an intermediate controlling shareholder indirectly holding 3,646,889,329 Shares, representing approximately 74.35% of the issued share capital of the Company) to Mr. XU Yongjun, Mr. HUANG Junlong, Ms. LIU Ning and Mr. YU Zhiliang.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interest or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions in which they were deemed or taken to have under such provisions of the SFO), or which are required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

3. DIRECTORS' EMPLOYMENT WITH SUBSTANTIAL SHAREHOLDER

As at the Latest Practicable Date, the following Directors is a director or employee in the following companies, each of which has an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

- a) Mr. Xu Yongjun, a non-executive Director, is a director and general manager of CMSK;
- b) Mr. Huang Junlong, a non-executive Director, is the chief financial officer of CMSK;
- c) Dr. Yan Chengda, a non-executive Director, is the senior consultant of CMSK;
- d) Ms. Liu Ning, a non-executive Director, is the board secretary of CMSK; and
- e) Mr. Wong King Yuen, an executive Director, is the director and general manager of China Merchants Properties Development Limited and China Merchants Property Agency Limited, wholly-owned subsidiaries of CMSK.

4. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

There is no contract or arrangement subsisting at the date of publication of this circular in which a Director is materially interested and which is significant in relation to the business of the Group.

As at the Latest Practicable Date, none of the Directors has, directly or indirectly, any interest in any assets which have since 31 December 2016 (being the date to which the latest published audited accounts of the Company were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

5. INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or controlling shareholders (as defined in the Listing Rules) and their respective close associates was interested in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the Group's businesses.

6. LITIGATION

As disclosed in the Company's annual report 2016, a subsidiary of the Group as a defendant of a lawsuit was alleged to fail to settle the outstanding payable to a contractor in the amount of approximately RMB29,508,000 pursuant to the terms of a contract, and the subsidiary had filed a counterclaim against the said contractor. As at the Latest Practicable Date, no damages have been awarded to any parties of the lawsuit. The Directors are of the view that, based on legal advice, the lawsuit can be successfully defended and no losses (including claims for costs) will be incurred.

Save as disclosed above, no member of the Group was engaged in any litigation or claims of material importance, and no such litigation or claim of material importance was known to the Directors to be pending or threatened by or against any members of the Group, as at the Latest Practicable Date.

7. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had a service contract with the Company which was not determinable by the Company within one year without payment of compensation, other than statutory compensation.

8. GENERAL

- a) The English text of this circular shall prevail over the Chinese text.
- b) The company secretary of the Company is Ms. Jeanie Lau. Ms. Lau is an associate member of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries, and has over 10 years' experience in company secretarial practice.
- c) The registered office of the Company is situated at P.O. Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands. The head office and principal place of business of the Company is at Room 2603-2606, 26/F, China Merchants Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong.
- d) The branch share registrar and transfer office of the Company is Tricor Tengis Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

9. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business of the Group) have been entered into by members of the Group within two years immediately preceding the Latest Practicable Date which are or may be material:

- (i) a cooperation agreement dated 21 June 2017 entered into between Guangzhou Merchants Property Development Limited* (廣州招商房地產有限公司), Guangdong Poly Property Development Company Limited* (廣東保利房地產開發有限公司), and Shanghai Guanyi Corporate Management Company Limited* (上海冠懿企業管理有限公司) pursuant to which, among other things, Guangzhou Xinhe Property Development Company Limited* (廣州新合房地產有限責任公司) has been established in the PRC on 11 May 2017 specially to engage in the development of a piece of land known as Zengcheng Land situated from in the east of Finance Avenue down to the west of existing plants, in the south of Changfeng International Commercial Project down to the north of Chuangxin Avenue (東至金融大道，南至長風國際商業項目，西至現狀廠房，北至創新大道) with a total site area of 86,417.35 sq.m. for a consideration of RMB4,350,000,000;
- (ii) a cooperation agreement dated 31 May 2017 entered into between Guangzhou Dingjia Property Development Co., Ltd.* (廣州鼎佳房地產有限公司) ("Guangzhou Dingjia Property") and Foshan Merchants Property Development Co., Ltd.* (佛山招商房地產有限公司) ("Foshan Merchants Property") pursuant to which, among other things, (i) Guangzhou Dingjia Property and Foshan Merchants Property shall jointly develop 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. through Foshan Dingtou Property Development Co., Ltd.* (佛山鼎圖房地產有限公司) (the “Project Company”) which has been established in the PRC on 25 April 2017 by Guangzhou Dingjia Property; (ii) Foshan Merchants Property shall contribute RMB10,000,000 to the registered capital of the Project Company and reimburse 50% of the shareholders’ loan of RMB518,950,000 to Guangzhou Dingjia Property; and (iii) each of Guangzhou Dingjia Property and Foshan Merchants Property shall bear the land consideration of RMB1,037,900,000 in proportion to their proposed shareholdings in the Project Company. For details of the cooperation agreement, please refer to the announcement of the Company dated 31 May 2017;

- (iii) a cooperation framework agreement dated 6 March 2017 entered into between Nanjing Merchants Zhaosheng Property Development Limited* (南京招商招盛房地產有限公司) (“Nanjing Merchants”), Chongqing Hanzhi Industrial Development Company Limited* (重慶瀚置實業發展有限公司) (“Chongqing Hanzhi”) and Jurong Jinhui Real Estate Construction Company Limited* (句容市金匯房產建設有限公司) (“Jurong Jinhui”) pursuant to which, among other things, (i) Nanjing Shengxiang Yuan Property Development Limited* (南京盛香園房地產開發有限公司) (“Nanjing Shengxiang”) has been established in the PRC on 3 March 2017 specifically to engage in the development of a piece of land known as Nanjing 2016G98 Land situated from South Zhongshan Road in the east to Fengtai Road in the west, from Yingtian Avenue in the south to Qinhuai River in the north (東至中山南路，南至應天大街，西至鳳台路，北至秦淮河) with a total site area of 199,329.26 sq.m.; (ii) each of Nanjing Merchants, Chongqing Hanzhi and Jurong Jinhui has respectively contributed an amount of RMB10,200,000, RMB6,600,000, and RMB3,200,000 to the registered capital of Nanjing Shengxiang and shall respectively contribute an amount of RMB3,505,400,000, RMB3,402,300,000 and RMB3,402,300,000 for the acquisition and development of the Nanjing 2016G98 Land before 15 August 2017. For details of the cooperation framework agreement, please refer to the circular of the Company dated 14 July 2017;
- (iv) a land cooperation agreement dated 30 June 2016 entered into between Merchants Nanjing Real Estate Co., Ltd.* (招商局地產(南京)有限公司) (“Merchants Nanjing”), Nanjing Renyuan Investment Co., Ltd.* (南京仁遠投資有限公司) (“Nanjing Renyuan”) and Poly Jiangsu pursuant to which, among other things, (i) Nanjing Shanjiyei Property Development Company Limited* (南京善杰義房地產開發有限公司) (“Nanjing Shanjiyei”) has been established in the PRC on 2 August 2016 specially to engage in the development of a piece of land known as Nanjing 2016G01 Land situated from Jiangjiayuan in the east to South Rehe Road in the west, from Chaha’er Road in the south to Nanjing No. 52 Middle School in the north, Gulou District, Nanjing City, Jiangsu Province* (江蘇省南京市鼓樓區，東至姜家園，南至察哈爾路，西至熱河南路，北至南京市第五十二中學) with a total site area of 62,728.1 sq.m. (the “Nanjing 2016G01 Land”); (ii) each of Merchants Nanjing, Nanjing Renyuan and Poly Jiangsu has respectively contributed an amount of RMB540,000,000, RMB495,000,000, and RMB465,000,000 to the registered capital of Nanjing Shanjiyei and shall respectively contribute an amount of RMB1,735,200,000, RMB1,590,600,000, and RMB1,494,200,000 for the acquisition and development of the Nanjing 2016G01 Land. For details of the land cooperation agreement, please refer to the circular of the Company dated 28 October 2016;

- (v) a fund settlement agreement dated 23 September 2016 entered into between Merchants Nanjing and Poly Jiangsu to agree on the arrangements in relation to, among other matters, the form of contribution to be made by Poly Jiangsu to the remaining balance of RMB4,820,000,000, being the aggregate consideration payable for the transfer of land use rights for the Nanjing 2016G01 Land;
- (vi) a subscription agreement dated 8 April 2016 entered into between Cosmos Harvest Development Limited (“Cosmos Harvest”), an indirect wholly-owned subsidiary of the Company, Maxwell Investment and Development Pte. Ltd. (“Maxwell Investment”) and Poly Field International Investments Limited (“Poly Field”) as the target company, pursuant to which, among other things, Cosmos Harvest shall subscribe for new ordinary shares in Poly Field at the aggregate consideration of approximately RMB437,000,000 in cash, upon completion of the transactions thereunder, Poly Field would be held by Cosmos Harvest as to 60% and Maxwell Investment as to 40%. For details please refer to the announcement of the Company dated 8 April 2016;
- (vii) a cooperation agreement dated 18 September 2015 entered into between Nanjing Zhao Ping Li Sheng Investment Co., Ltd (“Nanjing Zhao Ping Li Sheng”), an indirect non wholly-owned subsidiary of the Company, Shenzhen Lianxin Investment and Management Company Limited* (深圳聯新投資管理有限公司) (“Shenzhen Lianxin”) and Nanjing Hong Yang Real Estate Co., Ltd.* (南京弘洋置業有限公司) (“Nanjing Hong Yang”), among other things, Nanjing Zhao Ping Li Sheng, Shenzhen Lianxin and Nanjing Hong Yang shall jointly establish a project company in the PRC specifically to engage in the construction and development of a real estate project on a land situated in Nanjing City, the PRC, and each of Nanjing Zhao Ping Li Sheng, Shenzhen Lianxin and Nanjing Hong Yang shall contribute the respective amounts of RMB9,224,000, RMB5,280,000 and RMB5,496,000 to the registered capital of the project company, and provide shareholders loans in the respective amounts of approximately RMB753,400,000 RMB451,150,000 and RMB469,550,000 respective to the project company. For details please refer to the announcement of the Company dated 18 September 2015;
- (viii) a cooperation agreement dated 11 September 2015 entered into between Nanjing Zhao Ping Li Sheng and Gezhouba Nanjing Real Estate Development Co., Ltd.* (葛洲壩南京房地產開發有限公司) (“Nanjing Gezhouba”), pursuant to which, among other things, both parties shall provide shareholders’ loans to the project company to be jointly established by Nanjing Zhao Ping Li Sheng and Nanjing Gezhouba in proportion to their percentage shareholding of 30% and 70% respectively. The total shareholder’s loan commitment of Nanjing Zhao Ping Li Sheng was at least RMB969,000,000 for contributing to the acquisition consideration of the Project Land. For details please refer to the announcement of the Company dated 11 September 2015;

- (ix) the trust deed dated 23 June 2015 entered into between the Company as the guarantor, Cosmos Boom Investment Limited (“Cosmos Boom”), a wholly owned subsidiary of the Company, as the issuer and The Hongkong and Shanghai Banking Corporation as the trustee in connection with the credit enhanced convertible bonds in an aggregate principal amount of US\$290,000,000 bearing a coupon rate of 0.5% per annum due 2020 issued by Cosmos Boom;
- (x) the agency agreement dated 23 June 2015 between the Company as the guarantor, Cosmos Boom as the issuer and The Hongkong and Shanghai Banking Corporation as the trustee, the registrar, the transfer agent, the principal paying agent, the pre-funding account bank and the LC proceeds account bank in connection with the credit enhanced convertible bonds in an aggregate principal amount of US\$290,000,000 bearing a coupon rate of 0.5% per annum due 2020 issued by Cosmos Boom;
- (xi) the subscription agreement dated 2 June 2015 between the Company as the guarantor, Cosmos Boom as the issuer and Merrill Lynch Far East Limited, CCB International Capital Limited, China Merchants Securities (HK) Co., Limited and DBS Bank Ltd., as the joint lead managers in connection with the credit enhanced convertible bonds in an aggregate principal amount of US\$290,000,000 bearing a coupon rate of 0.5% per annum due 2020 issued by Cosmos Boom. For details of this subscription agreement, the agency agreement (in item x above) and the trust deed (in item ix above), please refer to the announcement of the Company dated 2 June 2015;
- (xii) a cooperation framework agreement dated 5 May 2015 entered into between Guan Hua Gang Trading (Shenzhen) Co., Ltd.* (冠華港貿易(深圳)有限公司) (“Guan Hua Gang”), an indirect wholly-owned subsidiary of the Company, Shenzhen Lianxin, Huarun Zhidi One Two Three Four (Shenzhen) Commercial Operation Management Company Limited* (華潤置地一二三四(深圳)商業營運管理有限公司) (“CR Land Shenzhen”) and Guangzhou Lianzhou Real Estate Company Limited* (廣州聯洲房地產有限公司) (“Guangzhou Lianzhou”), a project company established specifically for the construction and development of a real estate project on a land situated in Guangzhou, the PRC, pursuant to which, among other things,
 - (i) Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen shall subscribe in cash for the capital increase in the registered capital of Guangzhou Lianzhou in the respective amounts of RMB68,000,000, RMB66,000,000 and RMB66,000,000; and
 - (ii) upon completion of the capital increase in Guangzhou Lianzhou, Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen shall provide shareholders’ loans to Guangzhou Lianzhou in proportion to their shareholding percentage in Guangzhou Lianzhou and the shareholder’s loan to be provided by Guan Hua Gang was approximately RMB331,000,000 plus a reimbursement of funding cost to Shenzhen Lianxin. For details of please refer to the announcement of the Company dated 5 May 2015; and

- (xiii) a cooperation framework agreement dated 5 May 2015 entered into between Guan Hua Gang, Shenzhen Lianxin, CR Land Shenzhen and Guangzhou Liansen, a project company established specifically for the construction and development of a real estate project on another land situated in Guangzhou, the PRC, pursuant to which, among other things, Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen subscribed in cash for the capital increase in the registered capital of Guangzhou Liansen in the respective amounts of RMB68,000,000, RMB66,000,000 and RMB66,000,000 and the shareholder's loan to be provided by Guan Hua Gang was approximately RMB391,000,000 plus a reimbursement of funding cost to Shenzhen Lianxin. For details of please refer to the announcement of the Company dated 5 May 2015.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (Saturdays and public holidays excepted) from 10:00 a.m. to 1:00 p.m. and from 2:00 p.m. to 5:00 p.m. at the head office and principal place of business of the Company at Room 2603, 26/F, China Merchants Tower, Shun Tak Centre, Nos. 168–200 Connaught Road Central, Hong Kong, from the date of this circular up to and including 12 September 2017:

- (i) the memorandum and articles of association of the Company;
- (ii) the letter from the Board dated 24 August 2017, the text of which is set out on pages 4 to 8 of this circular;
- (iii) the annual reports of the Company for the three years ended 31 December 2014, 2015 and 2016;
- (iv) the material contracts referred to in the section headed "Material contracts" in this appendix;
- (v) a copy of this circular;
- (vi) a copy of the circular of the Company dated 24 August 2017 in relation to the joint venture arrangement in respect of acquisition of land; and
- (vii) a copy of the circular of the Company dated 14 July 2017 in relation to the formation of the JV Company.

* *Unofficial English translation denotes for identification purposes only*