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If you have sold or transferred all your Shares, you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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**DISCLOSEABLE AND CONNECTED TRANSACTION
ACQUISITION OF EQUITY INTERESTS IN NANJING XINSHENG
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Independent Financial Adviser to
the Independent Board Committee and
the Independent Shareholders**

ALTUS CAPITAL LIMITED

Capitalized terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from the Independent Board Committee to the Independent Shareholders is set out on pages 10 to 11 of this circular. A letter from Altus, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders, is set out on pages 12 to 20 of this circular.

A notice convening the EGM to be held at CM+ Hotels and Serviced Apartments, 3/F, South Tower, 16 Connaught Road West, Hong Kong on Tuesday, 30 June 2020 at 11:00 a.m. is set out on pages 34 to 35 of this circular. A form of proxy for use at the EGM is enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://ir.cmland.hk>).

Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

The following precautionary measures will be taken by the Company for the EGM to prevent the spread of the COVID-19 epidemic: (i) compulsory temperature checks; (ii) compulsory wearing of surgical face masks; and (iii) **no provision of refreshments and/or souvenirs**. Any person who does not comply with the precautionary measures may be denied entry into the EGM venue. Shareholders are encouraged to appoint the chairman of the EGM as their proxy to vote on the relevant resolution(s) at the EGM as an alternative to attending the EGM in person.

11 June 2020

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DEFINITIONS

In this circular, the following terms and expressions shall have the following respective meanings unless the context otherwise requires:

“Acquisition”	the acquisition of 49% equity interests in Nanjing Xinsheng by Shenzhen Merchants from CMSK pursuant to the Equity Transfer Agreement
“Board”	the board of Directors
“CMG”	China Merchants Group Limited (招商局集團有限公司), a PRC enterprise regulated and directly managed by the State-owned Assets Supervision and Administration Commission of the State Council, being the immediate controlling shareholder of CMSK holding more than 63% of the total issued share capital of CMSK
“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 share)), being the intermediate controlling shareholder of the Company and indirectly holds approximately 74.35% of the total issued share capital of the Company as at the Latest Practicable Date
“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)
“Cushman & Wakefield”	Cushman & Wakefield Limited
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be held to approve, among others, the Equity Transfer Agreement
“Equity Transfer Agreement”	the equity transfer agreement dated 27 April 2020 entered into between CMSK and Shenzhen Merchants in relation to the acquisition of 49% equity interests in Nanjing Xinsheng
“Group”	the Company and its subsidiaries

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company established by all the independent non-executive Directors to advise the Independent Shareholders in respect of the Equity Transfer Agreement and the transactions contemplated thereunder
“Independent Financial Adviser” or “Altus”	Altus Capital Limited, a corporation licensed to carry out type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the entering into of the Equity Transfer Agreement and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders who are not required to abstain from voting at the EGM to approve the Equity Transfer Agreement and the transactions contemplated thereunder
“Latest Practicable Date”	5 June 2020, 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 of Hong Kong Limited, as amended from time to time
“Nanjing Xinsheng”	Nanjing Xinsheng Commercial Management Co., Ltd.* (南京信盛商業管理有限公司), a company established on 25 December 2019 in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company as at the Latest Practicable Date
“Property”	a composite development erected on a parcel of land located at the north of Zhongshan Men Street, west of Maqun New Street, Qixia District, Nanjing, Jiangsu Province, the PRC with a site area of approximately 22,532.48 square metres

DEFINITIONS

“PRC”	the People’s Republic of China (excluding, for the purposes of this circular, Hong Kong, the Macau Special Administrative Region and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	shareholders of the Company
“Shenzhen Merchants”	China Merchants Land (Shenzhen) Limited* (招商局置地(深圳)有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Success Well”	Success Well Investments Limited, a limited liability company incorporated in the British Virgin Islands and the controlling shareholder of the Company which directly owns an aggregate of 3,646,889,329 Shares, representing approximately 74.35% of the issued share capital of the Company as at the Latest Practicable Date
“%”	per cent.

* Translated English names of Chinese entities for which no official English translation exists are unofficial translations for identification purpose only and should not be regarded as the official English translation of the Chinese names.

In this circular, the terms “associate”, “connected person”, “connected transaction”, “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.

 **招商局置地有限公司**
CHINA MERCHANTS LAND LIMITED
CHINA MERCHANTS LAND LIMITED
招商局置地有限公司
(Incorporated with limited liability in the Cayman Islands)
(Stock Code: 978)

Board of Directors:

Non-executive Directors:

XU Yongjun (*Chairman*)
HUANG Junlong
LIU Ning

Executive Directors:

SO Shu Fai
YU Zhiliang
WONG King Yuen

Independent Non-executive Directors:

WONG Wing Kuen, Albert
CHEN Yanping
SHI Xinping
HE Qi

Registered office:

P.O. Box 309, Uglan House
Grand Cayman
KY1-1104
Cayman Islands

**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

11 June 2020

To the Shareholders

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION
ACQUISITION OF EQUITY INTERESTS IN NANJING XINSHENG**

INTRODUCTION

Reference is made to the announcement of the Company dated 27 April 2020 in relation to the Equity Transfer Agreement, pursuant to which CMSK agreed to sell and Shenzhen Merchants agreed to acquire 49% equity interests in Nanjing Xinsheng.

The purpose of this circular is to provide you with, among other things, (i) the details of the Equity Transfer Agreement and the transactions contemplated thereunder; (ii) the recommendations from the Independent Board Committee regarding the Equity Transfer Agreement and the transactions contemplated thereunder; (iii) the letter of advice from the Independent Financial Adviser regarding the Equity Transfer Agreement and the transactions contemplated thereunder; (iv) property valuation report prepared by Cushman & Wakefield; (v) general information of the Group; and (vi) a notice for convening the EGM.

LETTER FROM THE BOARD

EQUITY TRANSFER AGREEMENT

The principal terms of the Equity Transfer Agreement are set out as follows:

Date : 27 April 2020

Parties : (a) CMSK, a controlling shareholder of the Company, as vendor
(b) Shenzhen Merchants, an indirect wholly-owned subsidiary of the Company, as purchaser

Subject matter

Pursuant to the Equity Transfer Agreement, CMSK agreed to sell and Shenzhen Merchants agreed to acquire 49% equity interests in Nanjing Xinsheng. Upon completion of the Acquisition, Nanjing Xinsheng will become an indirect wholly-owned subsidiary of the Company.

Consideration

The consideration for the acquisition of 49% equity interests in Nanjing Xinsheng is RMB389,052,700, which shall be settled by Shenzhen Merchants in cash in full within 15 days of the date of the Equity Transfer Agreement and shall be funded by the Group's internal resources.

The consideration was determined on the basis of normal commercial terms and after arm's length negotiations with reference to the preliminary valuation of the Property (the "Valuation") of approximately RMB392,000,000 based on investment approach and where appropriate, direct comparison approach as at 15 April 2020 prepared by Cushman & Wakefield, an independent property valuer. Further details of the valuation of the Property are set out in Appendix I to this circular.

The Directors consider that (i) the use of investment approach and where appropriate, direct comparison approach for the Valuation is appropriate because the Property is held for investment in the PRC and the selection of rent comparable and sales comparable in the nearby development with due adjustments made to reflect factors such as time, location and condition is fair and reasonable; (ii) the Company has appointed Cushman & Wakefield, which has sufficient experience and qualification to perform the Valuation; (iii) legal due diligence has been performed in respect of the Property to the satisfaction of the Company and the Valuation was prepared relying on results of such due diligence; and (iv) the Company has reviewed the assumptions and basis of computation used for the Valuation and was satisfied with their work performed. Based on the foregoing, the Directors (including the independent non-executive Directors) are of the view that the Valuation is fair and reasonable.

Completion

Completion of the Acquisition shall take place upon the completion of change of registration with the competent authority for industry and commerce for the Acquisition.

LETTER FROM THE BOARD

INFORMATION OF THE PARTIES

The Group is engaged in, among others, (i) development, sale, lease, investment and management of properties; and (ii) asset management business.

Shenzhen Merchants, a company established in the PRC with limited liability, is principally engaged in investment holding.

CMSK is principally engaged in the development and operation of industrial parks, development of residential and commercial properties, and cruise business. It is currently the real estate flagship of CMG, which is the controlling shareholder of CMSK and currently holds more than 63% of the total issued share capital of CMSK. CMG is a state-owned conglomerate regulated by the national State-Owned Assets Supervision and Administration Commission.

INFORMATION OF NANJING XINSHENG

Nanjing Xinsheng is a company established on 25 December 2019 in the PRC with limited liability which is principally engaged in investment holding and commercial complex management services for the Property which comprises the Commercial Mall of City, being the composite development with a commercial mall, apartments and car parks erected on a parcel of land located at the north of Zhongshan Men Street, west of Maqun New Street, Qixia District, Nanjing, Jiangsu Province, the PRC with a site area of approximately 22,532.48 square metres. As at the Latest Practicable Date, Nanjing Xinsheng is owned as to 49%, 9.66% and 41.34% by CMSK, Happy City and Shenzhen Merchants, respectively, and the Company holds as to, in aggregate, 51% equity interests in Nanjing Xinsheng through Happy City and Shenzhen Merchants.

The table below sets forth a summary of certain audited financial information of Nanjing Xinsheng for the period from 25 December 2019 (being the date of establishment of Nanjing Xinsheng) to 31 December 2019.

	For the period from 25 December 2019 to 31 December 2019
	<i>RMB</i>
Loss before taxation	19,460.49
Loss after taxation	14,595.37

The audited net asset value of Nanjing Xinsheng as at 31 December 2019 was approximately RMB707 million.

LETTER FROM THE BOARD

FINANCIAL EFFECTS OF THE ACQUISITION

Upon completion of the Acquisition, Nanjing Xinsheng will become a wholly-owned subsidiary of the Company and will continue to be accounted for as a subsidiary of the Company. Accordingly, its financial results (including earnings, assets and liabilities) will continue to be consolidated into and reflected in the financial statements of the Group.

REASONS FOR AND BENEFITS OF ENTERING INTO THE EQUITY TRANSFER AGREEMENT

The Group is engaged in, among others, (i) development, sale, lease, investment and management of properties; and (ii) asset management business. Upon completion of the Acquisition, Nanjing Xinsheng will become a wholly-owned subsidiary of the Company.

The Company considers that the Acquisition will allow the Group to enjoy full control over the development, marketing and sale of the projects held by Nanjing Xinsheng by shortening the decision-making process of Nanjing Xinsheng upon the completion of the Acquisition. The full control over Nanjing Xinsheng will simplify the decision-making procedure of its board of directors and facilitate a more direct and responsive process without the need to communicate with CMSK. As such, the Acquisition would enhance the management and operation flexibility and efficiency in carrying out the Group's business decisions and development strategies in its principal activities including sale and management of properties.

Further, the Company entered into the Re-Amended and Restated Non-Competition Deed (the "**Non-Competition Deed**") with CMSK on 21 October 2019. Pursuant to the Non-Competition Deed, CMSK has irrevocably undertaken not to hold and/or be interested, directly or indirectly, in any shares or other securities or interest in any company, partnership, trust or other business entity, which engages or is involved in, directly or indirectly, any property business in Guangzhou, Foshan, Nanjing and Jurong (the "**CML Cities**"). Given that Nanjing Xinsheng is principally engaged in investment holding and commercial complex management services for the Property which is located in Nanjing, one of the CML Cities, the Directors are of the view that the Acquisition is consistent with the Non-Competition Deed.

On the basis of the above, the Directors (other than the independent non-executive Directors who will give their opinion after considering the advice from the Independent Financial Adviser) have confirmed that the terms of the Equity Transfer 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.

LISTING RULES IMPLICATIONS

As the highest of all applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Acquisition is more than 5% but less than 25%, the entering into of the Equity Transfer Agreement and the transactions contemplated thereunder constitute a discloseable transaction of the Company under the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

As at the Latest Practicable Date, CMSK held approximately 74.35% of the Company's issued share capital and is therefore a controlling shareholder and connected person of the Company under the Listing Rules. Therefore, the entering into of the Equity Transfer Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee has been formed to consider and advise the Independent Shareholders as to whether the terms of the Equity Transfer Agreement and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and its Shareholders as a whole, and to advise the Independent Shareholders as to how to vote at the EGM.

Altus has been appointed as the independent financial adviser of the Company to advise the Independent Board Committee and the Independent Shareholders in this respect.

GENERAL

As Mr. Xu Yongjun, Mr. Huang Junlong and Ms. Liu Ning, each a non-executive Director, holds positions in CMSK and Mr. Wong King Yuen and Mr. Yu Zhiliang, each an executive Director, holds positions in CMSK and/or its associates, in order to avoid any actual or potential conflict of interest, each of them had abstained from voting at the relevant Board meeting on the relevant Board resolution approving the Equity Transfer Agreement and the transactions contemplated thereunder.

The EGM will be convened for the purpose of considering and, if thought fit, approving, among other things, the Equity Transfer Agreement and the transactions contemplated thereunder where Success Well and its associates shall abstain from voting on the resolution approving the Equity Transfer Agreement and the transactions contemplated thereunder. As at the Latest Practicable Date, based on the knowledge and information of the Directors having made all reasonable enquiries, Success Well and its associates together hold approximately 74.35% of the issued share capital of the Company.

EGM

The voting at the EGM will be taken by a poll. The Company will make an announcement of the poll results in accordance with the relevant requirements under the Listing Rules as soon as possible.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, there is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon any Shareholders; and (ii) no obligation or entitlement of any Shareholder as at the Latest Practicable Date, whereby it/he has or may have temporarily or permanently passed control over the exercise of the voting right in respect of its/his Shares to a third party, either generally or on a case-by-case basis.

LETTER FROM THE BOARD

A notice for convening the EGM to be held at CM+ Hotels and Serviced Apartments, 3/F, South Tower, 16 Connaught Road West, Hong Kong on Tuesday, 30 June 2020 at 11:00 a.m. is set out on pages 34 to 35 of this circular. A form of proxy for the EGM is also enclosed with this circular. Whether or not you intend to be present at the EGM, you are requested to complete the form of proxy and return it to the branch share registrar of the Company, Tricor Tengis Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the EGM. The completion of a form of proxy will not preclude you from attending and voting at the EGM in person.

RECOMMENDATION

The Board (including the independent non-executive Directors whose views have been set out in this circular after taking into consideration the advice of the Independent Financial Adviser) considers that the terms of the Equity Transfer Agreement are fair and reasonable; and entering into of the Equity Transfer Agreement and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, on normal commercial terms, and in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) recommend the Independent Shareholders to vote in favour of the resolution for approving the Equity Transfer Agreement and the transactions contemplated thereunder to be proposed at the EGM.

ADDITIONAL INFORMATION

Your attention is also drawn to the letter from the Independent Board Committee, the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, the additional information as set out in the appendices to this circular and the notice of the EGM.

Yours faithfully,
On behalf of the Board
China Merchants Land Limited
XU Yongjun
Chairman



CHINA MERCHANTS LAND LIMITED

招商局置地有限公司

(Incorporated with limited liability in the Cayman Islands)

(Stock Code: 978)

11 June 2020

To the Independent Shareholders

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION
ACQUISITION OF EQUITY INTERESTS IN NANJING XINSHENG**

We refer to the circular dated 11 June 2020 (the “**Circular**”) issued by the Company to its Shareholders of which this letter forms part. Terms defined in the Circular shall have the same meanings herein unless the context otherwise requires.

We have been appointed as the Independent Board Committee to consider and to advise the Independent Shareholders on the terms of the Equity Transfer Agreement and the transactions contemplated thereunder as set out in the Circular as to the fairness and reasonableness and to recommend whether or not the Independent Shareholders should approve the Equity Transfer Agreement and the transactions contemplated thereunder as set out in the Circular. Altus has been appointed as the Independent Financial Adviser to provide advice and recommendation to the Independent Board Committee and the Independent Shareholders in this regard. Details of the independent advice of the Independent Financial Adviser, together with the principal factors and reasons the Independent Financial Adviser has taken into consideration, are set out on pages 12 to 20 of the Circular.

We wish to draw your attention to the Letter from the Board and the Letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders which contains its advice to us in respect of the Equity Transfer Agreement and the transactions contemplated thereunder. Your attention is also drawn to the additional information set out in the appendices to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the terms of the Equity Transfer Agreement and the transactions contemplated thereunder, the advice of the Independent Financial Adviser and the relevant information contained in the Letter from the Board, we consider that (i) the entering into of the Equity Transfer Agreement is in the ordinary and usual course of business of the Company, on normal commercial terms and in the interests of the Company and the Shareholders as a whole; and (ii) the terms of the Equity Transfer Agreement are also fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution approving the Equity Transfer Agreement and the transactions contemplated thereunder to be proposed at the EGM.

Yours faithfully,
The Independent Board Committee of
China Merchants Land Limited

Dr. WONG Wing Kuen, Albert
Independent non-executive Director

Ms. CHEN Yanping
Independent non-executive Director

Dr. SHI Xinping
Independent non-executive Director

Mr. HE Qi
Independent non-executive Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter of advice from Altus Capital Limited, the Independent Financial Adviser, to the Independent Board Committee and the Independent Shareholders in relation to the Equity Transfer Agreement and the transactions contemplated therein, which has been prepared for the purpose of incorporation in the circular.

ALTUS.

Altus Capital Limited
21 Wing Wo Street
Central
Hong Kong

11 June 2020

To the Independent Board Committee and the Independent Shareholders

China Merchants Land Limited
Room 2603-2606
26th Floor
China Merchants Tower
Shun Tak Centre
Nos. 168-200 Connaught Road Central
Hong Kong

Dear Sirs,

DISCLOSEABLE AND CONNECTED TRANSACTION ACQUISITION OF EQUITY INTERESTS IN NANJING XINSHENG

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Equity Transfer Agreement and the transactions contemplated therein. Details of the Equity Transfer Agreement and the transactions contemplated therein are set out in the “Letter from the Board” contained in the circular of the Company dated 11 June 2020 (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

On 27 April 2020, CMSK and Shenzhen Merchants, an indirect wholly-owned subsidiary of the Company, entered into the Equity Transfer Agreement, pursuant to which CMSK agreed to sell and Shenzhen Merchants agreed to acquire 49% equity interests in Nanjing Xinsheng at a consideration of approximately RMB389 million. Upon completion of the Acquisition, Nanjing Xinsheng will become an indirect wholly-owned subsidiary of the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

LISTING RULES IMPLICATION

As the highest of all applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Acquisition is more than 5% but less than 25%, the entering into of the Equity Transfer Agreement and the transactions contemplated thereunder constitute a discloseable transaction of the Company under the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, CMSK held approximately 74.35% of the Company's issued share capital and is therefore a controlling shareholder and connected person of the Company under the Listing Rules. Therefore, the entering into of the Equity Transfer Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising all of the independent non-executive Directors, namely Dr. Wong Wing Kuen, Albert, Ms. Chen Yanping, Dr. Shi Xinping and Mr. He Qi, has been established to consider and advise the Independent Shareholders as to (i) whether the terms of the Equity Transfer Agreement and the transactions contemplated thereunder are fair and reasonable; (ii) whether entering into the Equity Transfer Agreement and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, on normal commercial terms, and are in the interests of the Company and its Shareholders as a whole, and (iii) how the Independent Shareholders should vote in respect of the resolution relating thereto to be proposed at the EGM, taking into account the recommendation of the Independent Financial Adviser.

INDEPENDENT FINANCIAL ADVISER

As the independent financial adviser to the Independent Board Committee and the Independent Shareholders, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders as to (i) whether the terms of the Equity Transfer Agreement and the transactions contemplated thereunder are fair and reasonable; (ii) whether entering into the Equity Transfer Agreement and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, on normal commercial terms, and are in the interests of the Company and its Shareholders as a whole, and (iii) how the Independent Shareholders should vote in respect of the resolution relating thereto to be proposed at the EGM.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have previously acted as the independent financial adviser to the Company with regard to (i) the adjustment to the conversion price of the convertible bonds as a result of a distribution; (ii) a connected transaction in relation to the amended and restated non-competition deed; (iii) a discloseable and connected transaction in relation to the acquisition of limited partnership interest in a fund; (iv) a connected transaction in relation to the re-amended and restated non-competition deed; and (v) a continuing connected transaction with a term exceeding three years. Detail of the aforesaid matters of the Company are set out in (i) the announcement dated 1 June 2018; (ii) the circular dated 10 January 2019; (iii) the circular dated 17 May 2019; (iv) the circular dated 21 October 2019; and (v) the announcement dated 28 November 2019, respectively. Save for the aforesaid transactions, we have not acted as an independent financial adviser or financial adviser for other transactions of the Group in the last two years from the date of the Circular. Pursuant to Rule 13.84 of the Listing Rules, and given that remuneration for our engagement to opine on the Acquisition is at market level and not conditional upon successful passing of the resolution to be proposed at the EGM, and that our engagement is on normal commercial terms, we are independent of and not associated with the Company, its controlling shareholder(s) or connected person(s).

BASIS OF OUR ADVICE

In formulating our opinion, we have reviewed, amongst others (i) the Company's annual report for the year ended 31 December 2019 (the "**2019 Annual Report**"); (ii) the property valuation report on the property held by Nanjing Xinsheng (the "**Property**") as at 15 April 2020 (the "**Valuation Date**") prepared by an independent valuer (the "**Valuation Report**"); (iii) the Equity Transfer Agreement; (iv) the audited account of the Nanjing Xinsheng for the period from 25 December 2019 (date of establishment) to 31 December 2019 (the "**Xinsheng Account**"); and (v) other information as set out in the Circular.

We have relied on the statements, information, opinions and representations contained or referred to in the Circular and/or provided to us by the Company, the Directors and the management of the Company (the "**Management**"). We have assumed that all statements, information, opinions and representations contained or referred to in the Circular and/or provided to us were true, accurate and complete at the time they were made and continued to be so as at the date of the Circular. The Directors collectively and individually accept full responsibility, including particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular are accurate and complete in all material respects and not misleading or deceptive, and there are no other facts the omission of which would make any statement in this circular misleading.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have no reason to believe that any statements, information, opinions or representations relied on by us in forming our opinion are untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the statements, information, opinions or representations provided to us to be untrue, inaccurate or misleading. We have assumed that all the statements, information, opinions and representations for matters relating to the Group contained or referred to in this circular and/or provided to us by the Management have been reasonably made after due and careful enquiry. We consider that we have been provided with and have reviewed sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent investigation into the business, financial conditions and affairs or the future prospects of the Group.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation, we have taken into account the following principal factors and reasons:

1. Principal businesses and financial highlights of the Group

The principal activities of the Group are (i) development, sale, lease, investment and management of properties; and (ii) asset management for office premises and shopping malls. The Group recorded revenue of approximately RMB19 billion for the year ended 31 December 2019, representing an increase of approximately 63% comparing to the previous year. Bank and cash balances of the Group was approximately RMB9 billion as at 31 December 2019, which is approximately 30% higher than its bank and cash balances as at 31 December 2018.

According to the 2019 Annual Report, the Group expects the real estate market to achieve stable performance despite adversity in 2020, considering the real estate control policies of the government. The Group will maintain stable and cautious financial strategies and optimise its financial structure, while proactively seizing opportunities of the real estate market transformation from production to stocking up.

2. Principal business and financial highlight of Nanjing Xinsheng

As described in the “Letter from the Board” in the Circular, Nanjing Xinsheng was established on 25 December 2019 in the PRC and the Company holds as to, in aggregate, 51% equity interests in it as at the Latest Practicable Date. Nanjing Xinsheng holds the Property and is principally engaged in investment holding and commercial complex management services, which is in the ordinary and usual course of business of the Group. The audited net asset value of Nanjing Xinsheng as at 31 December 2019 was approximately RMB707 million and it recorded a loss after taxation of approximately RMB14,595 due to credit loss for the period ended 31 December 2019.

Based on the Valuation Report and information provided by the Management, the Property consists of a commercial mall with gross floor area of 50,295 square metres and 207 car parks. With an occupancy rate of 98.5% as at the Valuation Date, the commercial portion of the Property was leased to various tenants with the latest expiry date on 25 March 2025.

3. Background and principal terms of the Equity Transfer Agreement

3.1. Property valuation

When assessing the fairness of the consideration, we have in particular considered the Valuation Report. In this respect, we noted that an independent professional valuer, being Cushman & Wakefield (the “**Valuer**”), has been appointed to conduct a valuation on the Property. According to the Valuation Report, details of which are set out in Appendix I to the Circular, the market value of the Property amounted to RMB800 million as at the Valuation Date.

When assessing the fairness and reasonableness of the valuation, we have reviewed the Valuation Report and discussed with the Valuer in relation to (i) the methodology and assumptions used in performing the valuation on the Property as well as whether such methodology and assumptions are appropriate and acceptable; (ii) their scope of work for conducting the valuation on the Property; and (iii) their relevant professional qualifications as a property valuer.

3.1.1. Valuation methodology

As stated in the Valuation Report, the Valuer adopted the investment approach of valuation by considering the capitalised income derived from the existing tenancies and the reversionary potential of the Property or where appropriate by the direct comparison approach assuming sale with the benefit of immediate vacant possession and by making reference to comparable sales evidence as available on the market. According to the Valuer, the investment approach and the direct comparison approach are the most appropriate valuation approach for assessing the market value of the Property as it takes into account (i) the current rental income of the Property by capitalising the rental income from the existing tenancies; and (ii) the ascertained rental income of vacant premises based on relevant comparable rental evidence of properties of similar use type subject to appropriate adjustments including but not limited to location, accessibility, age, quality, size, time and other relevant factors, which would better reflect the specific characteristics of a rental income generating property. The capitalisation rates are estimated by reference to the yields generally expected by the market for comparable properties of similar use type, which implicitly reflect the type and quality of the properties, the expectation of the potential future rental growth, capital appreciation and market sentiment for properties of similar natures. We also noted that the Valuer had cross-checked the valuation by market comparison method by making reference to comparable sales evidence available in the relevant market, subject to appropriate adjustments including but not limited to size, time and other relevant factors.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have obtained from the Valuer the information of the comparable properties and discussed with the Valuer, who has confirmed that the selected comparable properties are exhaustive. We noted that the comparable properties are located within the surrounding area of the Property and with similar usage. In light of the above, we are of the view that the comparable properties chosen by the Valuer are appropriate for the valuation and we concur with the Valuer that the investment approach and the direct comparison approach are appropriate and common approaches to determine the market value of rental income generating properties in the PRC.

3.1.2. Valuation basis and assumptions

We noted that the valuation of the Property represents its market value, which is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion” in accordance with the HKIS Valuation Standards 2017 published by the Hong Kong Institute of Surveyors.

We also noted that the Valuer relied on the information given by Group and the opinion of the PRC legal adviser as to PRC laws and made key assumptions in regard to the Property such as: (i) an estimated price inflated or deflated by special terms or circumstances (including but not limited to atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser) was excluded; (ii) the transferable land use rights in respect of the Property have been granted and any premium has already been fully settled; (iii) the owners have enforceable title to the Property and the free and uninterrupted rights to use, occupy or assign the Property for the whole of the unexpired terms as granted’ and (iv) the Property is free from encumbrances, restrictions and outgoings of any onerous nature which could affect its value. As such, we are of the view that the basis and assumptions adopted for the valuation of the Property are fair and reasonable.

3.1.3. Valuer's scope of work and competence

We have reviewed the scope of work of the Valuer detailed in its engagement letter and we are satisfied that the scope of work is sufficient and appropriate for the Acquisition.

We have reviewed the Valuer's qualification and experience in relation to the preparation of the Valuation Report and noted that the Valuer is a leading professional services firm that specialises in real estate with extensive experience in property valuation. In particular, the principal signing off the Valuation Report is a member of the Royal Institution of Chartered Surveyors, a member of the Hong Kong Institute of Surveyors, a Registered Professional Surveyor (General Practice) and a Registered China Real Estate Appraiser, who has over 27 years of experience in the valuation of properties in the PRC. The valuer who performed the site inspection of the Property is also a Registered China Real Estate Appraiser with over 20 years' experience in property valuation in the PRC.

3.1.4. Summary of the property valuation

In consideration of the above, we are of the view that (i) the valuation methodology adopted by the Valuer is a common approach for valuation of the income-producing properties in the PRC; (ii) the valuation basis and assumptions adopted by the Valuer are fair and reasonable; (iii) the scope of work of the Valuer is sufficient and appropriate for performing the valuation on the Properties; and (iv) the Valuer has sufficient experience and competency to perform the valuation of the Properties. As such, we are of the view that the valuation of the Property by the Valuer is fair and reasonable.

3.2. *Consideration of the Equity Transfer*

The consideration of the Equity Transfer is RMB389 million, which was determined after arm's length negotiations between CMSK and Shenzhen Merchants with reference to the preliminary valuation of the Property prepared by the Valuer. When assessing the fairness and reasonableness of the consideration, we have taken into account the reassessed net asset value of Nanjing Xinsheng.

According to the Xinsheng Account, the audited net asset value of Nanjing Xinsheng was approximately RMB707 million as at 31 December 2019. Set out below the illustrative computation of the net asset value adjusted for the valuation surplus (the "**Reassessed NAV**") to reflect the market value of the Property as detailed in the Valuation Report set out in Appendix I to the Circular.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER
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	<i>RMB'000</i>
Market value of the Property as at the Valuation Date	800,000
Less: carrying amount of the Property as at 31 December 2019	703,344
Valuation surplus (Note)	96,656
Net asset value of Nanjing Xinsheng as at 31 December 2019	707,037
Add: valuation surplus	96,656
Reassessed NAV as at the Valuation Date	803,693
49% of the Reassessed NAV	393,810

Note: Potential tax liabilities was not taken into account of the calculation of valuation surplus.

Taking into account the above, in particular, the consideration of RMB389 million payable by the Group for the Equity Transfer representing a discount of approximately 1.2% to the amount attributable to the 49% of the reassessed net asset value of Nanjing Xinsheng (i.e. approximately RMB394 million), we are of the view that the basis of determining the consideration and the consideration are fair and reasonable.

4. Reasons for and benefits of entering into the Equity Transfer Agreement

Upon completion of the Acquisition, the Group will own 100% of the equity interest in Nanjing Xinsheng, and we concur with the Management's view that the Acquisition will allow the Group to enjoy full control over the development, marketing and sale of the projects held by Nanjing Xinsheng and will simplify the decision-making procedure of its board of directors through facilitating a more direct and responsive process without the need to communicate with CMSK. As such, the Acquisition would enhance the management and operation flexibility and efficiency in carrying out the Group's business decisions and development strategies in its principal activities.

Further, the Company entered into the Re-Amended and Restated Non-Competition Deed (the "**Non-Competition Deed**") with CMSK on 21 October 2019. Pursuant to the Non-Competition Deed, CMSK has irrevocably undertaken not to hold and/or be interested, directly or indirectly, in any shares or other securities or interest in any company, partnership, trust or other business entity, which engages or is involved in, directly or indirectly, any property business in Guangzhou, Foshan, Nanjing and Jurong (the "**CML Cities**"). As disclosed in the "Letter from the Board" of the Circular, Nanjing Xinsheng is principally engaged in investment holding and commercial complex management services in Nanjing, where Nanjing is one of the CML Cities. Therefore, we are of the view that the Acquisition is consistent with the Non-competition Deed and is in line with the overall strategy of the Group and the CMSK Group.

Based on the above, we concur with the Management that the Equity Transfer Agreement and the transactions contemplated therein are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

5. Financial effects of the Acquisition

Upon completion of the Acquisition, Nanjing Xinsheng will become a wholly-owned subsidiary of the Company and will continue to be accounted for as a subsidiary of the Company. Accordingly, its financial results (including earnings, assets and liabilities) will continue to be consolidated into and reflected in the financial statements of the Group. Except for the cash outlay for the Acquisition, there will be no material impact on the financial conditions of the Company.

RECOMMENDATION

In view of the above principal factors and reasons, we are of the view that (i) the terms of the Equity Transfer Agreement and the transactions contemplated thereunder are fair and reasonable; and (ii) entering into the Equity Transfer Agreement and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, on normal commercial terms, and are in the interests of the Company and its Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the resolution to be proposed at the EGM for the approval of the Acquisition.

Yours faithfully,
For and on behalf of
Altus Capital Limited
Jeanny Leung
Executive Director

Ms. Jeanny Leung (“Ms. Leung”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO and permitted to undertake work as a sponsor. She is also a Responsible Officer of Altus Investments Limited licensed to carry on Type 1 (dealing in securities) regulated activity under the SFO. Ms. Leung has over 30 years of experience in corporate finance advisory and commercial field in Greater China, in particular, she has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance transactions.

The following is the text of a letter and valuation report prepared for the purpose of incorporation in this circular received from Cushman & Wakefield Limited, an independent property valuer, in connection with its opinion of market value in existing state of the property held by Nanjing Xinsheng Commercial Management Co., Ltd. (南京信盛商業管理有限公司) in the PRC as at 15 April 2020.*



16/F, Jardine House
1 Connaught Place
Central
Hong Kong

11 June 2020

The Board of Directors
China Merchants Land Limited
Room 2603-2606, 26/F
China Merchants Tower
Shun Tak Centre
Nos. 168-200 Connaught Road Central
Hong Kong

Dear Sirs,

Re: Commercial Mall of City, No. 699, Zhongshan Men Street, Qixia District, Nanjing, Jiangsu Province, the People's Republic of China 中國江蘇省南京市棲霞區中山門大街699號花園城商場

Instructions, Purpose & Valuation Date

In accordance with the instructions from China Merchants Land Limited (the “**Company**”) for us to carry out the valuation of the market value of the property (the “**Property**”) held by the Company and Nanjing Xinsheng Commercial Management Co., Ltd.* (南京信盛商業管理有限公司) (“**Nanjing Xinsheng**”), (an indirect non-wholly owned subsidiary of the Company as at the Latest Practicable Date), in the People’s Republic of China (the “**PRC**”), we confirm that we have carried out inspection, made relevant enquiries and obtained such further information as we considered necessary for the purpose of providing you with our opinion of the market value of the Property in existing state as at 15 April 2020 (the “**Valuation Date**”).

Definition of Market Value

Our valuation of the Property represents its Market Value which in accordance with the HKIS Valuation Standards 2017 published by the Hong Kong Institute of Surveyors (“**HKIS**”) is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

Valuation Basis & Assumptions

Our valuation of the Property excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

In the course of our valuation of the Property held in the PRC, with reference to the PRC Legal opinion of the Company's legal adviser, King & Wood Mallesons (北京市金杜律師事務所), we have prepared our valuation on the basis that transferable land use rights in respect of the Property for its specific term at nominal annual land use fee has been granted and that any premium payable has already been fully paid. We have relied on the information and advice given by the Company and the PRC legal opinion, dated 6 May 2020, regarding the title to the Property and the interests in the Property. In valuing the Property, we have prepared our valuation on the basis that the owners have enforceable title to the Property and have free and uninterrupted rights to use, occupy or assign the Property for the whole of the unexpired terms as granted.

No allowance has been made in our valuation for any charges, pledges or amounts owing on the Property nor any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is valued on the basis that the Property is free from encumbrances, restrictions and outgoings of any onerous nature which could affect its value.

Method of Valuation

In valuing the Property, which are held for investment in the PRC, we have adopted the investment approach of valuation by considering the capitalised income derived from the existing tenancies and the reversionary potential of the Property or where appropriate by the direct comparison approach assuming sale with the benefit of vacant possession and by making reference to comparable sales evidence as available on the market.

Investment approach is appropriate for valuation of the Property with tenancy terms and conditions. For cross-checking of the valuation arrived from investment approach, we have also adopted direct comparison approach with reference to comparable sales evidence of properties with similar characteristics as available in the relevant market.

In valuing the Property, we have complied with the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the HKIS Valuation Standards 2017.

Source of Information

We have relied to a very considerable extent on the information given by the Company and the opinion of the PRC legal adviser as to PRC laws. We have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, identification of Property, particulars of occupancy, tenancy details, interests attributable to the Group, site and floor areas and all other relevant matters.

Dimension, measurements and areas included in this valuation report are based on the information provided to us and are therefore only approximation. We have no reason to doubt the truth and accuracy of the information provided to us by the Company which is material to the valuation. We were also advised that no material facts have been omitted from the information supplied.

We would point out that the copies of documents provided to us are mainly compiled in Chinese characters and the transliteration into English represents our understanding of the contents. We would therefore advise the Company to make reference to the original Chinese edition of the documents and consult your legal adviser regarding the legality and interpretation of these documents.

Title Investigation

We have been provided by the Company with copies or extracts of documents. However, we have not searched the original documents to verify ownership or to ascertain any amendments. All documents have been used for reference only and all dimensions, measurements and areas are approximate.

Site Inspection

Our valuer of Nanjing office, Huang Hui 黄辉 (a China Real Estate Appraiser with 20 years' of property valuation), has inspected the exterior of the Property in March 2020. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report that the Property is free of rot, infestation or any other structural defects. No tests were carried out to any of the services.

Unless otherwise stated, we have not been able to carry out detailed on-site measurements to verify the site and floor area of the Property and we have assumed that the areas shown on the copies of documents handed to us are correct.

Currency

Unless otherwise stated, all sums stated in our valuation is in Renminbi, the official currency of the PRC.

Market Uncertainty Alert

The recent outbreak of the Novel Coronavirus (COVID-19) has brought high volatility to global financial markets and uncertainty to the property market. It is expected that property values will be very sensitive to development of the pandemic and changes in the financial markets. The extents of impact on different sectors of the market are different and the time for marketing and negotiating sale of a property will be longer than normal. There will be less certainty as to how long a valuation may sustain and property prices may fluctuate rapidly and materially over a short period of time. Our valuation of the Property is valid only at the Valuation Date and any subsequent changes in market conditions as well as the resulting impacts on property values after the Valuation Date cannot be taken into account. If any party intends to make reference to our valuation when entering into any transaction, he must bear in mind the high market volatility during this period of time and that property values may or may not have changed since the Valuation Date.

We attach herewith a valuation report.

Yours faithfully,
For and on behalf of
Cushman & Wakefield Limited
Philip C Y Tsang
Registered Professional Surveyor (General Practice)
Registered China Real Estate Appraiser
MSc, MHKIS
Director

Note: Mr. Philip C Y Tsang is Registered Professional Surveyor who has over 27 years' experience in the valuation of properties in the PRC.

VALUATION REPORT

Property held by Nanjing Xinsheng for investment in the PRC

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 15 April 2020																																	
Commercial Mall of City ("City"), No. 699, Zhongshan Men Street, Qixia District, Nanjing, Jiangsu Province, the PRC	<p>City is a composite development, with a commercial mall on B1 to L3, apartments on L4 to L9 and car parks on B2-B3 erected on a parcel of land with a site area of approximately 22,532.48 sq m. City was completed in 2013.</p> <p>The Property comprises the commercial mall of City as below:</p> <table border="1"> <thead> <tr> <th>Level</th> <th>Main Use</th> <th>Gross Floor Area sq m</th> </tr> </thead> <tbody> <tr> <td>3 (Mezz)</td> <td>Cinema/fitness</td> <td>1,666.60</td> </tr> <tr> <td>3</td> <td>Catering/cinema/ KTV/ Entertainment</td> <td>13,539.76</td> </tr> <tr> <td>2</td> <td>Catering/retail</td> <td>13,170.79</td> </tr> <tr> <td>1</td> <td>Catering</td> <td>7,828.40</td> </tr> <tr> <td>B1</td> <td>Supermarket/ food court</td> <td>14,089.01</td> </tr> <tr> <td></td> <td>Commercial sub-total:</td> <td>50,294.56</td> </tr> <tr> <td>B2</td> <td>108 car parks</td> <td>1,511.58</td> </tr> <tr> <td>B3</td> <td>99 car parks</td> <td>1,398.95</td> </tr> <tr> <td></td> <td>Car park sub-total:</td> <td>2,910.53</td> </tr> <tr> <td></td> <td>Grand Total:</td> <td>53,205.09</td> </tr> </tbody> </table>	Level	Main Use	Gross Floor Area sq m	3 (Mezz)	Cinema/fitness	1,666.60	3	Catering/cinema/ KTV/ Entertainment	13,539.76	2	Catering/retail	13,170.79	1	Catering	7,828.40	B1	Supermarket/ food court	14,089.01		Commercial sub-total:	50,294.56	B2	108 car parks	1,511.58	B3	99 car parks	1,398.95		Car park sub-total:	2,910.53		Grand Total:	53,205.09	<p>As at the Valuation Date, the commercial portion of the Property has total lettable area of 31,716.30 sq m; various commercial units with total lettable area of 31,249.90 sq m were subject to tenancies for various terms with the latest tenancy due to expire on 25 March 2025.</p>	<p>RMB800,000,000</p> <p>(RENMINBI EIGHT HUNDRED MILLION)</p> <p>(49% interest: RMB392,000,000 (RENMINBI THREE HUNDRED NINETY TWO MILLION))</p>
Level	Main Use	Gross Floor Area sq m																																		
3 (Mezz)	Cinema/fitness	1,666.60																																		
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	Grand Total:	53,205.09																																		

The Property is located at the north of Zhongshan Men Street, west of Maqun New Street, Qixia District, Nanjing, Jiangsu Province. Maqun Metro Station is connected to City. Developments nearby are mainly commercial and residential development. According to the Company, the Property is for commercial and car parks uses; there is no environmental issues and litigation dispute; there is no plan for renovation or change the use of the Property.

The land use rights of the Property have been granted for a term of 40 years due to expire on 29 June 2050 for commercial use.

Notes:

(1) According to Certificate of Real Property Ownership S(2018)NQBDCQ No. 0029640, the land use rights of Room 0101, 101, 201 and 301, No. 699, Zhongshan Men Street, Qixia District with a site area of 22,532.48 sq m and floor area of 50,294.56 sq m have been granted to Merchants Nanjing Real Estate Co., Ltd. (招商局地產(南京)有限公司) (“**Merchants Nanjing**”), (an indirect non-wholly owned subsidiary of the Company as at the Latest Practicable Date), for a term of 40 years due to expire on 29 June 2050 for commercial use. (Please see Note 3 below.)

(2) According to 207 Building Ownership Certificates, the building ownership of 207 car parks are vested in Merchants Nanjing:

Level	Car Park No.	Gross Floor area sq m
B2 108 car parks	#492-550; 552-572; 576-578; 582-603; 605-607	1,511.58
B3 99 car parks	#172-271	1,398.95
Total:		2,910.53

(3) According to Company Split Agreement dated 18 December 2019, Merchants Nanjing plans to split and derive Nanjing Xinsheng; Merchants Nanjing intends to apply to the real estate registration authority for the change registration of the property owner of the Property to Nanjing Xinsheng.

(4) According to the PRC legal opinion:

- (i) Merchants Nanjing has obtained Certificate of Real Property Ownership and Building Ownership Certificate;
- (ii) The property ownership and the land have not been mortgaged or sealed up;
- (iii) Merchants Nanjing have obtained Certificate of Real Property Ownership and Building Ownership Certificate, Merchants Nanjing have the right to occupy, use, transfer, rent, mortgage or otherwise legally dispose of the ownership of the Property within the land use period stated in the Certificate of Real Property Ownership;
- (iv) The Company Split Agreement dated 18 December 2019 is legally binding on all parties to the agreement; Merchants Nanjing is the right owner of the Property and has the rights to split the Property into its discrete derivative Nanjing Xinsheng; and
- (v) After the real estate registration authority completes the process of changing ownership, the property owner will be changed to Nanjing Xinsheng.

(5) The status of the title and grant of major approvals and licence in accordance with the information provided by the Company and the opinion of the PRC legal adviser:

Certificate of Real Property Ownership	Yes (Commercial area)*
Building Ownership Certificate	Yes (Car parks)*
Company Split Agreement	Yes

* Currently in name of Merchants Nanjing and will be changed to Nanjing Xinsheng in due course. After the real estate registration authority completes the process of changing ownership, the property owner will be changed to Nanjing Xinsheng.

- (6) In valuing the Property, which are held for investment in the PRC, we have adopted the investment approach of valuation or where appropriate by the direct comparison approach. Our key assumptions used in the Income Capitalisation Method Valuation are summarised as below:

Use	Monthly Market Rent (RMB/sq m)	Yield
Commercial (B1 – L3)	42 – 300	5.5% – 6 %
Car Parks	765	4.5%

We have prepared our valuation on the following basis and analysis:

In our investment approach of valuation, we have made reference to some rent comparable in the Property and nearby development. The unit rent of these comparable commercial units on the first floor basis range from about RMB320 to RMB400 per sq m per month. The unit market rent assumed by us are consistent with the said rent comparable.

Based on our market research for commercial properties, the relevant market yield ranged from 5.2% to 6.5%. Considering the location, risks and characteristics of the Property, we have applied a market yield of 5.5% to 6% for the commercial units as the yield in our valuation.

In our direct comparison approach of valuation, we have also made reference to some sales comparable in nearby development. The unit price of these comparable properties ranges from about RMB36,000 to RMB40,000 per sq m for commercial units on the first floor and RMB170,000 to RMB175,000 per car parking space. The unit values of our valuation are consistent with the said sales comparable.

The rent and sales comparable selected by us are exhaustive.

In arriving at the key assumptions, appropriate adjustments and analysis are considered to the differences in several aspects including but not limited to time, location and physical characteristics between the Property and the comparable properties. The general basis of adjustment is if the Property is better than the comparable property, an upward adjustment is made. Alternatively, if the Property is inferior or less desirable than the comparable properties, a downward adjustment is made.

Details of the Property:

- | | | |
|-------|--|---|
| (i) | General description of location of the property: | The Property is located at the north of Zhongshan Men Street, west of Maqun New Street, Qixia District, Nanjing, Jiangsu Province. Maqun Metro Station is connected to City. Developments nearby are mainly commercial and residential development. |
| (ii) | Terms of the tenure: | The land use rights of the Property have been granted for a term of 40 years due to expire on 29 June 2050 for commercial use. |
| (iii) | Terms of any intra-group lease: | Nil |

- | | | |
|--------|---|---|
| (iv) | Details of rental: | <p>As at the Valuation Date, the commercial portion of the Property has total lettable area of 31,716.30 sq m; various commercial units with total lettable area of 31,249.90 sq m were subject to tenancies for various terms with the latest tenancy due to expire on 25 March 2025. The current total monthly rent is approximately RMB3,530,000, exclusive of management fee and value-added tax.</p> <p>The remaining portion of the Property, with total lettable area of 466.40 sq m, was vacant.</p> <p>The car parks are licensed on monthly or hourly basis.</p> <p>(v) to (viii) According to the Company:</p> |
| (v) | Details of encumbrances, liens, pledges, mortgages against the Property: | Nil |
| (vi) | Environmental issue: | Nil |
| (vii) | Details of notices, pending litigation, breaches of law or title defects: | Nil |
| (viii) | Future plans for construction, renovation, improvement, or development of the Property: | Nil |

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	Interest of controlled corporations (<i>Note</i>)	32,054,066 (L)	0.65%

Note: These shares are directly held by Skill China Limited (“Skill China”) which is controlled by Dr. SO Shu Fai, an executive Director of the Company. Hence, by virtue of Part XV of the SFO, Dr. SO Shu Fai is deemed to be interested in the shares directly held by Skill China. Skill China is a company 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 underlying Shares involved (Note)	Approximately percentage (%) in the associated corporation
XU Yongjun	Beneficial owner	469,334 ¹ 124,800 ²	0.00%
HUANG Junlong	Beneficial owner	248,000 ¹	0.00%
LIU Ning	Beneficial owner	248,000 ¹ 24,601 ²	0.00%
YU Zhiliang	Beneficial owner	133,334 ¹	0.00%

Notes:

- These are the underlying Shares involved in the share options granted by CMSK (an intermediate controlling shareholder of the Company 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.
- These are the shares of CMSK, an intermediate controlling shareholder.

Save as disclosed above, 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, each of 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:

- Mr. XU Yongjun, a non-executive Director, is a director and Chairman of CMSK;
- Mr. HUANG Junlong, a non-executive Director, is the chief financial officer of CMSK;

- c. Ms. LIU Ning, a non-executive Director, is the board secretary of CMSK; and
- d. 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

As at the Latest Practicable Date, there is no contract or arrangement entered into by a related party subsisting in which a Director is materially interested and 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 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 since 31 December 2019 (being the date to which the latest published audited accounts of the Company were made up).

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. SERVICES CONTRACTS

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

7. EXPERTS AND CONSENTS

The following sets out the qualifications of the experts who have been named in this circular:

Name	Qualifications
Altus	a corporation licensed by the Securities and Futures Commission of Hong Kong to carry out type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO
Cushman & Wakefield	independent property valuer

Each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter or report (as the case may be) and references to its name, in the form and context in which they respectively appear.

As at the Latest Practicable Date, each of the above experts:

- (a) did not have any shareholding, either directly or indirectly, in any member of the Group;
- (b) did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (c) did not have any interest, either directly or indirectly, in any assets which have been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2019 (the date to which the latest published audited accounts of the Company were made up).

The letter from Altus dated 11 June 2020 set out on pages 12 to 20 in this circular and the valuation report from Cushman & Wakefield dated 11 June 2020 set out in Appendix I to this circular, were given for incorporation in this circular.

8. NO MATERIAL ADVERSE CHANGE

The Directors confirm that, as at the Latest Practicable Date, there had been no material adverse change in the financial or trading position of the Group since 31 December 2019, the date to which the latest published audited consolidated financial statements of the Group were made up.

9. 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, for a period of 14 days from the date of this circular:

- (a) the Equity Transfer Agreement;
- (b) the letter from the Board dated 11 June 2020, the text of which is set out on pages 4 to 9 of this circular;
- (c) the letter from the Independent Board Committee dated 11 June 2020, the text of which is set out on pages 10 to 11 of this circular;
- (d) the letter from the Independent Financial Adviser dated 11 June 2020, the text of which is set out on pages 12 to 20 of this circular;

- (e) the valuation report of Cushman & Wakefield dated 11 June 2020, the text of which is set out in Appendix I to this circular;
- (f) the letter of consent from the Independent Financial Adviser dated 11 June 2020 referred to in the above paragraph headed “7. Experts and Consents” in this appendix;
- (g) the letter of consent from Cushman & Wakefield dated 11 June 2020 referred to in the above paragraph headed “7. Experts and Consents” in this appendix; and
- (h) a copy of this circular.

NOTICE OF EXTRAORDINARY GENERAL MEETING



NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “EGM”) of China Merchants Land Limited (the “Company”) will be held at CM+ Hotels and Serviced Apartments, 3/F, South Tower, 16 Connaught Road West, Hong Kong on Tuesday, 30 June 2020 at 11:00 a.m. for the purposes of considering and, if thought fit, passing with or without amendment, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

1. “THAT:
 - (a) the equity transfer agreement entered into between China Merchants Shekou Industrial Zone Holdings Company Limited and China Merchants Land (Shenzhen) Limited* (the “Equity Transfer Agreement”), and the transactions contemplated thereunder be and is hereby approved, confirmed and ratified; and
 - (b) any director(s) of the Company be and is/are hereby authorised, for and on behalf of the Company, to enter into any agreement, deed or instrument and/or to execute and deliver all such documents and/or do all such acts on behalf of the Company as he/she may consider necessary, desirable or expedient for the purpose of, or in connection with (i) the implementations and completion of the Equity Transfer Agreement and transactions contemplated thereunder; and/or (ii) any amendment, variation or modification of the Equity Transfer Agreement and the transactions contemplated thereunder upon such terms and conditions as the board of directors of the Company may think fit.”

* Unofficial English translation denotes for identification purposes only

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

Hong Kong, 11 June 2020

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal place of business:
Room 2603-2606, 26/F
China Merchants Tower
Shun Tak Centre
Nos. 168–200 Connaught Road Central
Hong Kong

Registered office:
P.O. Box 309, Ugland House
Grand Cayman
KY1-1104
Cayman Islands

As at the date of this notice, 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.

Notes:

1. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his/her stead. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him to attend and vote on his behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. The instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
3. To be effective, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. Where there are joint registered holders of any shares, any one of such joint holders may vote, either in person or by proxy in respect of such shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.
5. In order to determine members who are entitled to attend the EGM to be held on Tuesday, 30 June 2020, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 23 June 2020.
6. All the resolution at the meeting will be taken by poll pursuant to the Listing Rules and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.