



CHINA MERCHANTS LAND CONTINUES TO TRANSFORM TO FURTHER EXPAND ITS REIT MANAGEMENT BUSINESS THROUGH FURTHER REVISING THE NON-COMPETITION DEED WITH CMSK

21 October 2019 – China Merchants Land Limited (“China Merchants Land” or “the Company”, stock code: 00978) and its subsidiaries (the “Group”) had entered into a re-amended and restated non-competition deed (the “Re-Amended and Restated Non-Competition Deed”) with its controlling shareholder China Merchants Shekou Industrial Zone Holdings Co., Ltd. (“CMSK”), in order to further optimize its asset-light property business strategy and to expand potential asset-light property business opportunities. Pursuant to the Re-Amended and Restated Non-Competition Deed, China Merchants Land will be able to carry out REIT management business in all cities across China, while CMSK will still be able to conduct its property management business.

According to the Re-Amended and Restated Non-Competition Deed, China Merchants Land will have the rights to participate in the REIT management business for REITs with underlying properties permitted to be situated in all over China on an exclusive basis. The Group is entitled to receive cash and/or units in the REITs. CMSK has irrevocably undertaken that it shall not hold or be interested, directly or indirectly, in any shares or other interest in any company, partnership, or trust, which engages or is involved in, directly or indirectly, any REIT management business in any of the cities in China; or otherwise, directly or indirectly, engage or invest in, or provide other support, financial or otherwise, to any REIT management business in any of the cities in China.

The REIT management business of China Merchants Land mainly provides services to REITs which own and invest in high quality income-generating commercial properties in China. Under the REIT management business, the Group, through its subsidiaries licensed with the Securities and Futures Commission of Hong Kong, acts as the REIT manager (the “REIT Manager”) will set the strategic direction and risk management policies of the REIT, and acquire and divest assets of the REIT in accordance with its stated investment strategy. The REIT Manager will focus on improving the value of the properties, fund raising, financial and compliance management.

Mr. Yu Zhiliang, the general manager of China Merchants Land, said: “REITs are distinctive products regulated by the Hong Kong regulatory bodies and are well

recognized by global investors. The REIT management business presents a unique opportunity for China Merchants Land to further develop its asset-light business and become a leading REIT service provider.”

The Re-Amended and Restated Non-Competition Deed is subject to consideration and approval by the independent shareholders at the extraordinary general meeting to be held on 8 November.

About China Merchants Land Limited

China Merchants Land is a Hong Kong-listed company with comprehensive capabilities in property development and asset management. The asset management platform that the Company is actively building is a whole-industry-chain property business platform encompassing industrial and financial capability for value-added real estate fund and REITs' assets. The Group's property development, value-added real estate fund investment management, and asset management businesses span across Hong Kong as well as first and second tiers cities in China. Its controlling shareholder China Merchants Shekou Industrial Zone Holdings Co., Ltd. indirectly owns a 74.35 per cent equity interest in the Company.

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