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**五礦地產有限公司**  
**MINMETALS LAND LIMITED**

*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 230)**

**CONNECTED TRANSACTION**

**NEW CO-OPERATION AGREEMENT  
IN RELATION TO  
THE GROUP'S PROJECT IN HEBEI PROVINCE, THE PRC**

**BACKGROUND**

Reference is made to the announcements of the Company dated 8 January 2010, 13 January 2010, 29 January 2010, 21 June 2010, 24 July 2011 and 5 May 2014 in relation to the Project and the progress on the acquisition of three parcels of land covering an aggregate site area of approximately 492,339 square metres in Hebei Province in relation to such development under the Previous Co-operation Agreements.

As at the date of this announcement, the relocation and preparation work for the Second Land Parcel, which the Joint Partners have already won in a public auction at an auction price of RMB318 million (approximately HK\$356 million) has not yet been completed, and only approximately 38,200 square metres of the Third Land Parcel has been delivered to the JV Companies under the Previous Co-operation Agreements.

**THE NEW CO-OPERATION AGREEMENT**

On 23 January 2017, JV Co A and JV Co B entered into the New Co-operation Agreement with the New Co-organiser, whereby the New Co-organiser agreed to (i) organise the relocation and preparation work in respect of the Second Land Parcel for delivery to the JV Companies at a consideration of approximately RMB789 million (approximately HK\$884 million) which includes the balance of the amount payable to the local government authority in the PRC for the acquisition of the land use rights; and (ii) organise the relocation and preparation work in respect of the Fourth Land Parcel, with a site area of approximately 113,333 square metres for public auction purpose, for delivery to the JV Companies at a consideration of approximately RMB1,482 million (approximately HK\$1,660 million) which includes the fees payable to the local government authority in the PRC for the acquisition of the land use rights .

Each of the JV Partners will bear 50% of the consideration payable under the New Co-operation Agreement.

Together with all the land parcels that have already been delivered to the JV Companies, the total site area of the land parcels acquired and delivered under the Previous Co-operation Agreements, and to be acquired and delivered under the New Co-operation Agreement in relation to the development of the Project will be approximately 546,520 square metres, and the total consideration paid or payable by the JV Companies will be approximately RMB2,836 million (approximately HK\$3,176 million).

### **THE LISTING RULES IMPLICATIONS**

JV Co B is a connected person of the Company by virtue of its being a non wholly-owned subsidiary of and hence an associate of the JV Partner, which in turn is a substantial shareholder of JV Co A, a non wholly-owned subsidiary of the Company. Accordingly, the Proposed Transactions constitute connected transactions for the Company under Chapter 14A of the Listing Rules. Since one of the applicable percentage ratios in respect of such total consideration paid or payable by the Group is more than 25% but less than 100%, the Proposed Transactions are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the listing Rules. However, as JV Co B is a connected person of the Company at the subsidiary level only, and as the independent non-executive Directors have confirmed that the terms of the New Co-operation Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the New Co-operation Agreement are only subject to the reporting and announcement requirements, but exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

### **THE NEW CO-OPERATION AGREEMENT**

#### **Date**

23 January 2017

#### **Parties**

- (1) the New Co-organiser; and
- (2) JV Co A and JV Co B, as joint partners.

JV Co B is a connected person of the Company by virtue of its being a non wholly-owned subsidiary of and hence an associate of the JV Partner, which in turn is a substantial shareholder of JV Co A, a non wholly-owned subsidiary of the Company.

So far as the Board is aware after making reasonable enquiries, the New Co-organiser is a company established under the laws of the PRC and designated by the local government of Hebei Province, the PRC to organise the relocation and other preparation work in respect of the Second Land Parcel and the Fourth Land Parcel for development pursuant to the New Co-operation Agreement. So far as the Board is aware after making reasonable enquiries, the New

Co-organiser and its ultimate beneficial owner are parties independent of the Company and its connected persons.

### **Subject matter**

Pursuant to the New Co-operation Agreement, the New Co-organiser agreed to (i) organise the relocation and preparation work in respect of the Second Land Parcel for delivery to the JV Companies at a consideration of approximately RMB789 million (approximately HK\$884 million) of which the balance of the amount payable to the local government authority in the PRC for the acquisition of the land use rights is approximately RMB109 million (approximately HK\$122 million) and the fees payable to the New Co-organiser is approximately RMB680 million (approximately HK\$762 million); and (ii) organise the relocation and preparation work in respect of the Fourth Land Parcel with a site area of approximately 113,333 square metres for public auction purpose, for delivery to the JV Companies at a consideration of approximately RMB1,482 million (approximately HK\$1,660 million) which includes the fees payable to the local government authority in the PRC for the acquisition of the land use rights.

### **Consideration**

Consideration payable in relation to the Second Land Parcel under the New Co-operation Agreement will be paid by the JV Companies in stages with reference to the progress of the relocation and clearance work on the Second Land Parcel and the date on which the JV Companies obtained the land use rights certificates in accordance with the terms of the New Co-operation Agreement.

Consideration payable in relation to the Fourth Land Parcel under the New Co-operation Agreement will be paid by the JV Companies in stages with reference to the date on which the JV Companies win a tender bid through public auction and the date on which the JV Companies are required to pay to the local government authority in the PRC in accordance with the terms of the New Co-operation Agreement.

Each of the JV Partners will bear 50% of the consideration payable under the New Co-operation Agreement.

The consideration payable under the New Co-operation Agreement was determined based on arm's length negotiations among the parties and the land prices and the cost of preparing land for re-development in the vicinity of the Second Land Parcel and the Fourth Land Parcel. JV Co A intends to finance its share of such consideration by its internal resources and borrowings.

**The successful completion of the acquisition of the Fourth Land Parcel is subject to, among other things, the finalisation of various legal documentation and the obtaining of various consents from the relevant government authorities in the PRC as set out in the New Co-operation Agreement. Accordingly, the JV Companies may or may not be able to obtain the entire or any part of the Fourth Land Parcel for development. Shareholders and potential investors should exercise caution when dealing in the Shares. The Company will comply with applicable requirements under the Listing Rules where required.**

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW CO-OPERATION AGREEMENT**

Reference is made to the announcements of the Company dated 8 January 2010, 13 January 2010, 29 January 2010, 21 June 2010, 24 July 2011 and 5 May 2014 in relation to the Project and the progress on the acquisition of three parcels of land covering an aggregate site area of up to approximately 492,320 square metres in Hebei Province in relation to the development of the Project. As at the date of this announcement, the relocation and preparation work for the Second Land Parcel has not yet been completed, and only approximately 38,200 square metres of the Third Land Parcel has been delivered to the JV Companies. As such, the Directors believe that it is in the interest of the Company and the Shareholders as a whole to end the terms of the Previous Co-operation Agreements and enter into the New Co-operation Agreement to complete the relocation and preparation work for the Second Land Parcel, which the Joint Partners have already won in the public auction, and to obtain new land to continue with the development of the Project.

The Directors (including the independent non-executive Directors) consider that the New Co-operation Agreement, which have been entered into after arm's length negotiations among the parties, are on normal commercial terms, and the terms therein are fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the New Co-operation Agreement nor has any of them abstained from voting in respect of the relevant Board resolution.

## **LISTING RULES IMPLICATIONS**

JV Co B is a connected person of the Company by virtue of its being a non wholly-owned subsidiary of and hence an associate of the JV Partner, which in turn is a substantial shareholder of JV Co A, a non wholly-owned subsidiary of the Company. Accordingly, the Proposed Transactions constitute connected transactions for the Company under Chapter 14A of the Listing Rules. Since one of the applicable percentage ratios in respect of such total consideration paid or payable by the Group is more than 25% but less than 100%, the Proposed Transactions are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the listing Rules. However, as JV Co B is a connected person of the Company at the subsidiary level only, and as the independent non-executive Directors have confirmed that the terms of the New Co-operation Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the New Co-operation Agreement are only subject to the reporting and announcement requirements, but exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

## **INFORMATION ON THE PARTIES**

The Group is principally engaged in the business of real estate development, specialised construction, property investment and securities investment.

The JV Partner is engaged in real estate business and is a wholly-owned subsidiary of a company engaged in real estate business, whose shares are listed on the Shenzhen Stock Exchange and the Stock Exchange.

The New Co-organiser is a company established under the laws of the PRC and designated by the local government of Hebei Province, the PRC to organise the relocation and other preparation work in respect of the Second Land Parcel and the Fourth Land Parcel for development pursuant to the New Co-operation Agreement.

## **GENERAL**

As at the date of this announcement, the Board comprises nine Directors, namely Mr. Zhang Yuanrong as the Chairman and a non-executive Director, Mr. He Jianbo as the Deputy Chairman, Managing Director and an executive Director, Mr. Yin Liang, Ms. He Xiaoli and Mr. Liu Zeping as executive Directors, Mr. Cui Hushan as a non-executive Director, and Mr. Selwyn Mar, Ms. Tam Wai Chu, Maria and Mr. Lam Chung Lun, Billy as independent non-executive Directors.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Board”	the board of Directors;
“Company”	Minmetals Land Limited, a company incorporated in Bermuda with limited liability, whose Shares are listed on the Main Board of the Stock Exchange;
“associate” , “connected person” , “controlling shareholder” , “subsidiary” and “substantial shareholder”	each shall have the meaning ascribed to it under the Listing Rules;
“Co-operation Agreement”	the agreement dated 8 January 2010 entered into between the Joint Partners and the Co-organiser as supplemented from time to time;
“Co-organiser”	a company established under the laws of the PRC and designated by the local government of Hebei Province, the PRC to organise the relocation and other preparation work in respect of the Second Land Parcel and the Third Land Parcel for development pursuant to the Co-operation Agreement and the Second Co-operation Agreement;
“Directors”	the directors (including independent non-executive directors) of the Company;
“Fourth Land Parcel”	a piece of land situated in Xianghe County, Langfang City of Hebei Province, the PRC with a site area of approximately 113,333 square metres; and
“Group”	the Company and its subsidiaries;

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Joint Partners”	the Company and the JV Partner;
“JV Companies”	collectively, JV Co A and JV Co B;
“JV Co A”	廊坊曠世基業房地產開發有限公司 (Langfang Kuangshi Jiye Property Development Co., Ltd.*), a company established under the laws of the PRC with limited liability and a non-wholly owned subsidiary of the Company. The registered capital of JV Co A is owned as to 50% by Hanten Investment Limited (a wholly-owned subsidiary of the Company) and 50% by the JV Partner;
“JV Co B”	廊坊萬恒盛業房地產開發有限公司 (Langfang Wanheng Shengye Property Development Co., Ltd.*), a company established under the laws of the PRC with limited liability and an associated company of the Company. The registered capital of JV Co B is owned as to 50% by Hanten Investment Limited (a wholly-owned subsidiary of the Company) and 50% by the JV Partner;
“JV Partner”	北京萬科企業有限公司 (Beijing Vanke Enterprise Co., Ltd.*), a company established under the laws of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“New Co-operation Agreement”	the agreement dated 23 January 2017 entered into between the JV Companies and the New Co-organiser as supplemented from time to time;
“New Co-organiser”	a company established under the laws of the PRC and designated by the local government of Hebei Province, the PRC to replace the Co-organiser to organise the relocation and other preparation work in respect of the Second Land Parcel and Fourth Land Parcel for development pursuant to the New Co-operation Agreement;
“Previous Co-operation Agreements”	the Co-operation Agreement and the Second Co-operation Agreement;
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan);

“Project”	the residential property development project known as “Minmetals Vanke City” (formerly known as “Beijing Celebration City”) situated in Xianghe County, Langfang City of Hebei Province, the PRC which is being jointly developed by the JV Companies;
“Proposed Transactions”	the transactions contemplated under the New Co-operation Agreement;
“RMB”	Renminbi, the lawful currency of the PRC;
“Second Land Parcel”	a piece of land situated in Xianghe County, Langfang City of Hebei Province, the PRC with a site area of approximately 264,929 square metres;
“Second Co-operation Agreement”	the agreement dated 5 May 2014 entered into among the JV Companies and the Co-organiser in relation to the delivery of the Third Land Parcel to the JV Companies;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company;
“Shareholder(s)”	holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Third Land Parcel”	a piece of land situated in Xianghe County, Langfang City of Hebei Province, the PRC with a site area of approximately 97,672 square metres; and
“%”	per cent.

*For the purpose of illustration only and unless otherwise stated, conversion of RMB into Hong Kong dollars in this announcement is calculated at the exchange rate of RMB1.00 = HK\$1.12. Such conversion should not be construed as a representation that any amount has been, could have been, or may be, exchanged at this or any other rate.*

By order of the Board  
**He Jianbo**  
*Deputy Chairman and Managing Director*

Hong Kong, 23 January 2017

\* *For identification purpose only*