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DISCLOSEABLE TRANSACTION
ACQUISITION OF LAND USE RIGHT IN CHONGQING CITY, THE PRC

ACQUISITION OF LAND USE RIGHT

The Board is pleased to announce that on 9 June 2017 Chongqing Merchants Yi Cheng, an indirect wholly-owned subsidiary of the Company, has successfully won a bidding in respect of the land use right of the Land situated at Chongqing City of the PRC at the price of RMB580,880,000. Chongqing Land Bureau has issued to Chongqing Merchants Yi Cheng the Land Transfer Confirmation dated 9 June 2017. Chongqing Merchants Yi Cheng has entered into the Land Use Rights Grant Contract with Chongqing Land Bureau in relation to the Acquisition on 23 June 2017.

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

On the basis that one or more of the applicable percentage ratios in respect of the consideration of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under Rule 14.33 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 9 June 2017, Chongqing Merchants Yi Cheng, an indirect wholly-owned subsidiary of the Company, has successfully won a bidding in respect of the land use right of Land situated at Chongqing City of the PRC at the price of RMB580,880,000. Chongqing Land Bureau has issued to Chongqing Merchants Yi Cheng the Land Transfer Confirmation dated 9 June 2017. The Land Use Rights Grant Contract in relation to the Acquisition has been entered into on 23 June 2017.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, Chongqing Land Bureau and its ultimate beneficial owner are third parties independent of the Company and connected persons of the Company.

DETAILS OF THE LAND

The Land is situated at Zone D of Nanping Group, Nan'an District, Chongqing City, the PRC (Land No. D10-3-2/02) (Announcement No. 17049) (中國重慶市南岸區南坪組團D分區D10-3-2/02號宗地(公告序號:17049)). The Land has a total site area of 11,312 sq.m. and the total capacity of building area is less than or equal to 89,365sq.m. The Land is designated for commercial and residential usage with a term of 40 and 50 years, respectively.

CONSIDERATION

The price of the land use rights of the Land is RMB580,880,000 (representing an average price of approximately RMB51,351 per sq.m. in terms of total site area), is payable in cash in full amount within 1 day following the execution of the Land Use Right Grant Contract on 23 June 2017.

Pursuant to the terms of the Land Transfer Confirmation, the security deposit for the auction paid by Chongqing Merchants Yi Cheng in the amount of RMB290,440,000 was automatically applied as a deposit for the price of the Land.

The aggregate consideration payable for the Acquisition, inclusive of the related costs and tax amount of approximately RMB18,529,576, is approximately RMB599,409,576, which shall be financed by the Group's internal resources.

The price of the land use rights of the Land was derived from a public auction held by Chongqing Land Bureau on 9 June 2017, which was conducted in accordance with the terms of the auction promulgated by Chongqing Land Bureau.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Acquisition is conducted in the ordinary and usual course of business of the Group. In view of the location and the designated use of the Land, the Directors consider that the Acquisition of the Land is in line with the business development strategy and planning of the Group. The Directors (including independent non-executive Directors) consider that the Acquisition is a transaction of revenue nature and is carried out in the ordinary and usual course of business and are on normal commercial terms which are fair and reasonable and in the interests of the shareholders of the Company as a whole.

PARTICULARS OF THE PARTIES

The Group is principally engaged in the development, sale, lease, investment and management of properties in the PRC. Chongqing Merchants Yi Cheng is engaged in property development in the PRC.

IMPLICATIONS ON THE LISTING RULES

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

On the basis that one or more of the applicable percentage ratios in respect of the consideration of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under Rule 14.33 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of land use rights of the Land through public bidding process
“Board”	the board Directors
“Chongqing Merchants Yi Cheng”	Chongqing Merchants Yi Cheng Property Development Co., Ltd.* (重慶招商依城房地產開發有限公司), a company established in the PRC with limited liability and an indirectly wholly-owned subsidiary of the Company
“Chongqing Land Bureau”	Chongqing Land Resources and Housing Management Bureau* (重慶市國土資源和房屋管理局), an Independent Third Party

“Company”	China Merchants Land Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 0978)
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	an independent third party not connected with the Company and its subsidiaries, their respective directors, chief executives and substantial shareholders and any of their associates within the meaning of the Listing Rules
“Land”	a piece of Land situated at Zone D of Nanping Group, Nan’an District, Chongqing City, the PRC (Land No. D10-3-2/02) (Announcement No. 17049) (中國重慶市南岸區南坪組團D分區D10-3-2/02號宗地(公告序號:17049)), with a total site area of 11,312 sq.m. and the total capacity of building area is less than or equal to 89,365sq.m., designated for commercial and residential usage with a term of 40 and 50 years respectively
“Land Transfer Confirmation”	the confirmation notice (土地成交確認書) dated 9 June 2017 issued by Chongqing Land Brueau to Chongqing Merchants Yi Cheng confirming the successful bidding of the Land
“Land Use Rights Grant Contract”	the land use rights grant contract (國有建設用地使用權出讓合同) entered into between Chongqing Merchants Yi Cheng and Chongqing Land Brueau on 23 June 2017 pursuant to the Land Transfer Confirmation
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“PRC”	the People’s Republic of China which, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Governmental Body”	has the meaning ascribed to it under the Listing Rules
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Shareholders” holders of the Share(s)
“Stock Exchange” The Stock Exchange of Hong Kong Limited
“subsidiary” has the meaning ascribed to it under the Listing Rules

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

Hong Kong, 23 June 2017

As at the date of this announcement, the Board comprises Mr. XU Yongjun, Mr. HUANG Junlong, Dr. YAN Chengda 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.

* *For identification purpose only*