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華潤置地有限公司

China Resources Land Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1109)

**CONNECTED TRANSACTION
IN RELATION TO
THE ESTABLISHMENT OF A REAL PROPERTY INVESTMENT FUND**

The Board is pleased to announce that on 12 October 2018, Nanning Investment, CRL Zhuhai, CR Venture Capital, Expo Land Holding and China Life Insurance entered into a Partnership Agreement in relation to the establishment and management of the Fund.

Pursuant to the terms of the Partnership Agreement, the initial total capital commitment in the Fund will be RMB15,001 million, with the primary objective of investment in office property projects (including properties which can be converted into offices), hotel projects, commercial property projects and long-lease apartments projects, as well as related peripheral service projects, or other projects as unanimously approved by the Investment Strategy Committee. CRL Zhuhai, a wholly-owned subsidiary of the Company, will contribute RMB2,400 million, representing approximately 16.00% of the total capital commitment in the Fund.

CRH is the controlling Shareholder of the Company and a wholly-owned subsidiary of CRC, and CR Venture Capital is an indirect wholly-owned subsidiary of CRC. Therefore, CR Venture Capital is a connected person of the Company for the purpose of Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the transaction contemplated under the Partnership Agreement exceed 0.1% but are less than 5%, the transaction contemplated under the Partnership Agreement is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 12 October 2018, Nanning Investment, CRL Zhuhai, CR Venture Capital, Expo Land Holding and China Life Insurance entered into a Partnership Agreement in relation to the establishment and management of the Fund.

ESTABLISHMENT OF THE FUND

The principal terms of the Partnership Agreement are as follows:

- Date:** 12 October 2018
- Parties:** General Partner:
1. Nanning Investment;
- Limited Partners:
2. CRL Zhuhai;
 3. CR Venture Capital;
 4. Expo Land Holding; and
 5. China Life Insurance

CRL Zhuhai is a wholly-owned subsidiary of the Company. CRH is the controlling Shareholder of the Company and a wholly-owned subsidiary of CRC, and CR Venture Capital is an indirect wholly-owned subsidiary of CRC. Therefore, CR Venture Capital is a connected person of the Company for the purpose of Chapter 14A of the Listing Rules. Nanning Investment is held as to 40% by CR Guangxi which is in turn held as to 80% by CRL Holdings, a wholly-owned subsidiary of the Company, and 20% by Hanwei Tianjin, a company wholly-owned by CR Venture Capital. Save as disclosed above, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the General Partner and Limited Partners are third parties independent of the Company and connected persons of the Company.

Information about the Fund

The Fund will be registered in the PRC as a limited liability partnership with the primary objective of investment in office property projects (including properties which can be converted into offices), hotel projects, commercial property projects and long-lease apartments projects, as well as related peripheral service projects, or other projects as unanimously approved by the Investment Strategy Committee.

Capital Commitment

Pursuant to the terms of the Partnership Agreement, the initial total capital commitment in the Fund will be RMB15,001 million, and the initial capital commitment payable by each of the General Partner and the Limited Partners is as follows:

	Capital Commitment (RMB)	% of interest in the Fund (Note)	Status
Nanning Investment	1 million	0.01%	General Partner
CRL Zhuhai	2,400 million	16.00%	Limited Partner
CR Venture Capital	600 million	4.00%	Limited Partner
Expo Land Holding	3,000 million	20.00%	Limited Partner
China Life Insurance	9,000 million	60.00%	Limited Partner

Note: the aggregate percentage does not add up to 100% due to rounding

The capital commitment in the Fund was determined after arm's length negotiation between the General Partner and the Limited Partners with reference to the size of the Fund and the intended proportion of capital commitment by each party. The Company intends to fund its capital commitment from internal resources of the Company.

The General Partner and the Limited Partners shall fulfill their capital commitment pursuant to the Partnership Agreement based on the payment notices to be issued by the General Partner from time to time acting in accordance with funding requirements of projects approved by the Investment Strategic Committee. Such payment notices shall be issued at least 15 business days in advance of the payment due date stated.

All capital commitment shall be paid by cash in RMB.

Term of the Fund

The term of the Fund shall be eight years starting from the payment date for the initial capital commitment as set out in the first payment notice from the General Partner to the Limited Partners. The term of the Fund can be extended for one year upon the unanimous decision by the Investment Strategy Committee and can be further extended for one year upon the unanimous decision of the General Partner and all of the Limited Partners.

Management of the Fund

The Fund shall establish an investment strategy committee (the "**Investment Strategy Committee**") comprising 7 committee members (the "**Committee Members**"), which are to be selected by the unanimous decision of the fund managers (which are to be appointed by the General Partner and Limited Partners) and to be appointed by unanimous approval of each of the General Partner and Limited Partners.

The Investment Strategy Committee will be responsible for making professional decisions on such major issues as selection of projects, investment and withdrawal from projects, and may include matters. All decisions made by the Investment Strategy Committee will require a unanimous decision by all Committee Members who have a voting right.

Transfer Restriction of the Partnership Interest

The General Partner cannot transfer all or any part of its interest in the Fund other than to a successor pursuant to the terms of the Partnership Agreement.

Unless otherwise agreed upon under the Partnership Agreement, no direct or indirect transfer of all or any part of a Limited Partner's interest in the Fund may be made without the unanimous consent of all other Partners of the Fund. Where a transfer is unanimously approved by all other Partners, the General Partner or its nominee shall have first priority to a right of first refusal to acquire such interest under the same terms and conditions, while the other Partners shall have a second priority right of refusal under the same terms and conditions. Where a transfer is intended to be made to an affiliate or a connected person of the Partners, such consent of the other Partners shall not be unreasonably withheld and each of the Partners agree to forgo their priority of refusal.

REASONS FOR AND BENEFITS OF ENTERING INTO THE PARTNERSHIP AGREEMENT

The Group is principally engaged in the development of properties for sale, property investments and management, hotel operations and the provision of construction, decoration and other property development related services in the PRC.

The Company is of the view that the entering into the Partnership Agreement and the establishment of the Fund will enhance the Group's avenues of property investment and improve the overall efficiency in its use of available capital. The Group will leverage from the complementary investors to the Fund to further expand its overall scale of asset management and further increase its market influence.

The Directors (including the independent non-executive Directors) are of the view that the transactions contemplated under the Partnership Agreement were entered into on normal commercial terms or better, the terms of which are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

None of the Directors have a material interest in the transactions contemplated under the Partnership Agreement or was otherwise required to abstain from voting in the Board resolutions for considering and approving the same at the Board meeting held on 27 July 2018.

INFORMATION ABOUT THE PARTIES

Nanning Investment is a limited liability company established in the PRC principally engaged in business investment management (except for matters which are subject to specific PRC regulations, such as securities, banking and finance and futures) and investment information consultancy (except for banking and finance, insurance, securities, internet information services and other prohibited or restricted services in the PRC).

CRL Zhuhai is a limited liability company established in the PRC principally engaged in investment management and business information consultancy services. It is a wholly-owned subsidiary of the Company.

CR Venture Capital is a limited liability company established in the PRC principally engaged in investment consultancy, economic information consultancy and domestic commerce. It is an indirect wholly-owned subsidiary of CRC.

Expo Land Holding is a limited liability company incorporated in the PRC commissioned by the municipal government principally engaged in the development of land reserves and operational management of the Shanghai world expo site and the engineering investment, construction, management, real estate development and management and hotel management of ancillary commodity housing and site infrastructure at the Shanghai world expo site and the relevant engineering with authorization of municipal government.

China Life Insurance is a joint stock limited liability company established in the PRC. It offers personal insurance businesses, including life insurance, health insurance and accident insurance businesses, reinsurance relating to the above insurance businesses, use of funds permitted by applicable PRC laws and regulations or the State Council, as well as all types

of personal insurance services, consulting business and agency business, sales of securities investment fund, and other businesses permitted by the China Insurance Regulatory Commission.

China Life Capital is a limited liability company incorporated in the PRC principally engaged in investment and asset management.

LISTING RULES IMPLICATIONS

CRL Zhuhai is a wholly-owned subsidiary of the Company. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, CRH is the controlling Shareholder of the Company and a wholly-owned subsidiary of CRC, and CR Venture Capital is an indirect wholly-owned subsidiary of CRC. Therefore, CR Venture Capital is a connected person of the Company for the purpose of Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the transaction contemplated under the Partnership Agreement exceed 0.1% but are less than 5%, the transaction contemplated under the Partnership Agreement is subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors of the Company
“China Life Capital”	國壽資本投資有限公司 (China Life Capital Investment Company Limited*), a company incorporated in the PRC with limited liability
“China Life Insurance”	中國人壽保險股份有限公司 (China Life Insurance Company Limited*), a company incorporated in the PRC with limited liability, whose shares are listed on the Main Board of the Stock Exchange and the Shanghai Stock Exchange
“Company”	China Resources Land Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“CR Guangxi”	廣西華潤基金管理有限公司 (Guangxi China Resources Fund Management Co., Ltd.*), a company incorporated in the PRC with limited liability, which is owned by CRL Holdings and Hanwei Tianjin as to 80% and 20% respectively

“CR Venture Capital”	華潤投資創業(深圳)有限公司 (China Resources Venture Capital (Shenzhen) Co., Ltd.*), an indirect wholly-owned subsidiary of CRC incorporated in the PRC with limited liability
“CRC”	華潤股份有限公司 (China Resources Co., Limited*), a limited liability company incorporated in the PRC, the holding company of CRH
“CRH”	China Resources (Holdings) Company Limited (華潤(集團)有限公司), a controlling shareholder of the Company incorporated in Hong Kong with limited liability which indirectly held approximately 61.27% of the issued share capital of the Company as at the date of this announcement
“CRL Holdings”	華潤置地控股有限公司 (China Resources Land Holdings Limited*), a wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“CRL Zhuhai”	華潤置地(珠海)有限公司 (China Resources Land (Zhuhai) Co., Ltd.*) (formerly known as 北京潤悅商務服務有限公司 (CRL Zhuhai Business Services Co., Ltd.*)), a wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“Director(s)”	the director(s) of the Company
“Expo Land Holding”	上海世博土地控股有限公司 (Shanghai Expo Land Holdings Limited*), a company incorporated in the PRC with limited liability
“Fund”	廣西國壽申潤投資發展基金(有限合夥) (Guangxi Guoshou Shen Run Investment Development Fund (Limited Partnership)*), a limited partnership established pursuant to the Partnership Agreement
“Group”	the Company together with its subsidiaries
“Hanwei Tianjin”	漢威華德(天津)投資諮詢有限公司 (Hanwei (Tianjin) Investment Advisory Co., Ltd.*), an indirect wholly-owned subsidiary of CR Venture Capital incorporated in the PRC with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Limited Partners”	CRL Zhuhai, CR Venture Capital, Expo Land Holding and China Life Insurance collectively, and each a “Limited Partner”

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Nanning Investment” or “General Partner”	南寧申壽潤投資管理有限責任公司 (Nanning Shen Shou Run Investment Management Co., Ltd.*), a company incorporated in the PRC with limited liability, which is owned by CR Guangxi, Expo Land Holding and China Life Capital as to 40%, 30.1% and 29.9% respectively
“Partners”	the General Partner and the Limited Partners, collectively
“Partnership Agreement”	the partnership agreement entered into by the General Partner and the Limited Partners dated 12 October 2018 for the establishment of the Fund, including all supplements and modifications thereto
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

* *for identification purposes only*

By order of the Board
China Resources Land Limited
TANG Yong
Vice Chairman

Hong Kong, 12 October 2018

As at the date of this announcement, the executive Directors are Mr. Wu Xiangdong, Mr. Tang Yong, Mr. Yu Jian, Mr. Zhang Dawei, Mr. Li Xin and Mr. Xie Ji; the non-executive Directors are Mr. Yan Biao, Mr. Chen Ying, Mr. Wang Yan and Mr. Chen Rong; and the independent non-executive Directors are Mr. Andrew Y. Yan, Mr. Ho Hin Ngai, Bosco, Mr. Wan Kam To, Peter, Mr. Zhong Wei and Mr. Sun Zhe.