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**MODERN LAND (CHINA) CO., LIMITED**

**當代置業(中國)有限公司**

*(Incorporated in Cayman Islands with limited liability)*

**(Stock code: 1107)**

**MAJOR AND CONNECTED TRANSACTION  
IN RELATION TO  
THE PURCHASE OF 100% INTEREST IN A CANADIAN COMPANY  
HOLDING LAND PARCELS AND RELATED ASSETS IN CANADA**

**SHARE PURCHASE AGREEMENT**

The Board announces that on 16 October 2018, Modern Land No. 7 (a wholly-owned subsidiary of the Company) entered into the Share Purchase Agreement with Modern Commercial and Kunyuan International whereby, among other things, Modern Commercial and Kunyuan International have conditionally agreed to sell and Modern Land No. 7 has conditionally agreed to purchase 1,000 class “A” common voting shares (representing all issued shares) of the Target Company at the consideration of CAD220,000,000, subject to certain adjustments.

**LISTING RULES IMPLICATIONS**

As one or more the applicable percentage ratios (as defined in the Listing Rules) in respect of the Proposed Transaction is/are more than 25% but less than 100%, the Proposed Transaction constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. Further, as at the date of this announcement, Modern Commercial is held as to 100% by Mr. Zhang, who is an executive Director, the chairman of the Board and a controlling Shareholder. Hence, Modern Commercial is a connected person by virtue of being an associate of Mr. Zhang and the Proposed Transaction also constitutes a connected transaction under Chapter 14A of the Listing Rules. Therefore, the Proposed Transaction is subject to the reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

## GENERAL

The EGM will be convened for the Independent Shareholders to consider and, if thought fit, approve the Share Purchase Agreement and the Proposed Transaction. In order to provide the Shareholders with information to consider and assess the Proposed Transaction, a circular containing, among other things, (a) further details on the Share Purchase Agreement and the Proposed Transaction; (b) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Proposed Transaction; (c) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Proposed Transaction; (d) the valuation report on the Land Parcels; and (e) the notice of the EGM and a proxy form, will be despatched to the Shareholders. As additional time is required to prepare the aforesaid information for inclusion in the circular, it is expected that the circular will be despatched on or before 30 November 2018.

Mr. Zhang and his associates, together hold 1,848,740,410 Shares, representing approximately 66.27% of the existing issued share capital of the Company as at the date this announcement, are required to abstain from voting in respect of the resolution(s) that would be proposed to approve the Share Purchase Agreement and the Proposed Transaction at the EGM.

**It should be noted that the Closing of the Proposed Transaction is subject to a number of conditions including, but not limited to, the approval of the Share Purchase Agreement and the Proposed Transaction by the Independent Shareholders, which may or may not be fulfilled. The Proposed Transaction may or may not proceed. Shareholders and potential investors of the Company should exercise caution when they deal or contemplate dealing in the securities of the Company.**

## INTRODUCTION

The Board announces that on 16 October 2018, Modern Land No. 7 (a wholly-owned subsidiary of the Company) entered into the Share Purchase Agreement with Modern Commercial and Kunyuan International whereby, among other things, Modern Commercial and Kunyuan International have conditionally agreed to sell and Modern Land No. 7 has conditionally agreed to purchase 1,000 class “A” common voting shares (representing all issued shares) of the Target Company at the consideration of CAD220,000,000, subject to certain adjustments.

## **SHARE PURCHASE AGREEMENT**

The principal terms of the Share Purchase Agreement are summarised below:

### **Date**

16 October 2018

### **Parties**

- (1) Modern Land No. 7 (as purchaser);
- (2) Modern Commercial (as vendor); and
- (3) Kunyuan International (as vendor)

Modern Commercial is held as to 100% by Mr. Zhang, the chairman of the Board, an executive Director and a controlling Shareholder as at the date of this announcement. Therefore, Modern Commercial is an associate of Mr. Zhang and a connected person of the Company under the Listing Rules.

### **Assets to be acquired under the Proposed Transaction**

As at the date of this announcement, the Target Company has 1,000 class “A” common voting shares, which are held by Modern Commercial and Kunyuan International as to 97% and 3%, respectively.

Pursuant to the terms of the Share Purchase Agreement, Modern Land No. 7 has conditionally agreed to acquire 1,000 class “A” common voting shares (representing all issued shares) of the Target Company from Modern Commercial and Kunyuan International.

The Target Company, through First Richmond North Shopping Centres Limited, holds the legal titles of the Land Parcels with a site area of approximately 624,430 square feet.

### **Consideration**

The consideration payable by Modern Land No. 7 for the Proposed Transaction is CAD220,000,000, minus the amount of Closing Date Indebtedness, plus or minus the Closing Working Capital Adjustment, subject to the adjustments set out below:

- (a) At least three (3) Business Days prior to the Closing Date, the Vendors shall have caused to be delivered to Modern Land No. 7, a statement setting forth the Vendors’ good faith calculation of the estimated Closing Date Indebtedness, the estimated Closing Working Capital Adjustment and the resulting estimated consideration (such estimated consideration, the “**Closing Payment**”). The Closing Payment shall be paid by Modern Land No. 7 to the Vendors’ solicitors, in trust, by wire transfer of immediately available funds to the trust account of the Vendors’ solicitors at the Closing.

- (b) Not later than ninety (90) days after the Closing Date, the Target Company shall prepare and deliver to the Vendors and Modern Land No. 7, a management prepared statement (the “**Final Closing Statement**”) setting out (a) the Closing Date Indebtedness; (b) the Closing Working Capital; (c) the Closing Working Capital Adjustment; and (d) the resulting consideration.
- (c) If Modern Land No. 7 delivers a written notice (in reasonably sufficient detail) to the Target Company and the Vendors that it disputes the calculation set out in the Final Closing Statement within ten (10) Business Days after the Final Closing Statement is delivered to the parties, and Modern Land No. 7 and the Vendors cannot reach agreement on the adjusted consideration within ten (10) Business Days after such notice of dispute is delivered, then the dispute may be referred by Modern Land No. 7, on the one hand, or the Vendors, on the other hand, for expert determination to an audit partner of a nationally recognised Canadian firm of chartered accountants. The final consideration determined by such expert shall be no more than the amount of the final consideration set forth in the Final Closing Statement delivered and no less than the amount of the final consideration set forth in the Modern Land No. 7’s written notice of dispute. The determination by such expert shall, to the extent practicable, be made within thirty (30) days of such referral and shall be final and binding on the parties. The costs of the expert shall be borne by Modern Land No. 7.
- (d) If:
  - (i) the final consideration as determined by the parties or the expert exceeds the Closing Payment, Modern Land No. 7 shall, no later than five (5) Business Days after such determination, pay the amount of the difference to the Vendors’ solicitors, in trust, on behalf of the Vendors, by wire transfer of immediately available funds;
  - (ii) the final consideration as determined by the parties or the expert is less than the Closing Payment, the Vendors shall, no later than (5) Business Days after such determination, pay such difference to Modern Land No. 7 by wire transfer of immediately available funds to an account specified by Modern Land No. 7 in writing; or
  - (iii) otherwise, there shall be no adjustment and the Closing Payment shall be the consideration,

provided, however, that there shall be no adjustment (either upward or downward) to the consideration in excess of CAD10,000,000.

The consideration was arrived at after arm's length negotiations among the parties to the Share Purchase Agreement after taking into account various factors, including but not limited to (i) the prevailing market price of comparable land parcels in the nearby area; and (ii) the development potential of the Land Parcels.

The consideration will be funded by internal resources of the Group and/or bank borrowings.

### **Conditions precedent**

The obligations of Modern Land No. 7 under the Share Purchase Agreement are subject to the following conditions, among others, being fulfilled or waived (where applicable) by Modern Land No. 7 at or before 12:01 a.m. Vancouver time on the Closing Date:

- (a) Modern Land No. 7 being satisfied with its due diligence investigation of the Target Company;
- (b) the representations and warranties of the Vendors contained in the Share Purchase Agreement will be true and correct in all material aspects on and as of the Closing Date;
- (c) the Vendors will have complied with all terms, covenants and agreements in the Share Purchase Agreement agreed to be performed or caused to be performed by them on or before the Closing Date;
- (d) no material loss or destruction of or damage to any of the assets of the Target Company will have occurred between the date of the Share Purchase Agreement and the Closing Date;
- (e) all necessary corporate resolutions have been passed by Modern Land No. 7 and the Company, including but not limited to the Independent Shareholders at the EGM approving the Share Purchase Agreement and the performance of all transactions contemplated hereunder, all as required under the Listing Rules; and
- (f) the Vendors and the Target Company have obtained all required consents.

If any of the above conditions are not fulfilled or waived by Modern Land No. 7 (except for the condition (e)), Modern Land No. 7 may terminate the Share Purchase Agreement by notice in writing to the Vendors. In such event, Modern Land No. 7 shall be released from all obligations under the Share Purchase Agreement, and the Vendors will also be released unless the Vendors were reasonably capable of causing such condition or conditions to be fulfilled or either of the Vendors has breached any of its representations, warranties, covenants or agreements in the Share Purchase Agreement.

The obligations of the Vendors under the Share Purchase Agreement are subject to the following conditions, among others, being fulfilled or waived (where applicable) by the Vendors at or before 12:01 a.m. Vancouver time on the Closing Date:

- (a) the representations and warranties of Modern Land No. 7 contained in the Share Purchase Agreement will be true and correct on and as of the Closing Date;
- (b) Modern Land No. 7 will have complied with all terms, covenants and agreements in the Share Purchase Agreement agreed to be performed or caused to be performed by it on or before the Closing Date; and
- (c) the Vendors and the Target Company have obtained all required consents.

If any of the above conditions are not fulfilled or waived by the Vendors, the Vendors may terminate the Share Purchase Agreement by notice in writing to Modern Land No. 7. In such event, the Vendors shall be released from all obligations under the Share Purchase Agreement, and Modern Land No. 7 will also be released unless Modern Land No. 7 was reasonably capable of causing such condition or conditions to be fulfilled or Modern Land No. 7 has breached any of its representations, warranties, covenants or agreements in the Share Purchase Agreement.

## **Closing**

The Closing for the Proposed Transaction shall be effective at 12:01 a.m. Vancouver time on the Closing Date.

Upon Closing, the companies comprising Target Group will become wholly-owned subsidiaries of the Company and their results will be consolidated into the financial statements of the Group.

## **INFORMATION ON THE PARTIES TO THE SHARE PURCHASE AGREEMENT**

### **The Company, Modern Land No. 7 and the Group**

The Company is incorporated in the Cayman Islands with limited liability and its Shares have been listed on the Main Board of the Stock Exchange. Modern Land No. 7 is an investment holding company incorporated in Hong Kong with limited liability and is held as to 100% by the Company. The Group is a property developer focused on the development on green, energy-saving and eco-friendly residence in the PRC.

### **Modern Commercial**

Modern Commercial is a corporation incorporated in Vancouver, British Columbia, Canada, the principal activity of which is investment holding. It is held as to 100% by Mr. Zhang and is an associate of Mr. Zhang and a connected person of the Company.

## **Kunyuan International**

Kunyuan International is a corporation incorporated in Vancouver, British Columbia, Canada, the principal activity of which is investment holding. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, it is an Independent Third Party.

## **INFORMATION OF THE TARGET COMPANY AND THE PURCHASED ASSETS**

The Target Company was incorporated under the Company Act of the Province of British Columbia on 9 August 2016 and operates as a holding company for commercial leasing of the Land Parcels. As at the date of this announcement, the Target Company has 1,000 class "A" common voting shares, which is the only class of shares in its share capital.

Based on the unaudited financial statements of the Target Company for the two years ended 31 December 2017 provided by the Vendors, the Target Company recorded (i) net loss (both before and after tax) of CAD73,900 for the year ended 31 December 2016; and (ii) (a) net loss before tax of CAD637,127 and (b) net comprehensive profit after tax of CAD1,671,430 for the year ended 31 December 2017. As at 31 December 2017, the Target Company had net asset value of CAD1,597,630. The aforesaid unaudited financial information only sets out the Target Company's company level figures without consolidation of the Target Group. The consolidated financial statements of the Target Group will be provided in the circular.

The Land Parcels are suited at 4751 McClelland Rd and 9251 Alderbridge Way, Richmond, British Columbia, Canada with a site area of approximately 624,430 square feet (the total gross floor area of the Land Parcels potentially could be built up to 940,500 square feet). One elderly commercial complex (the "**Complex**") has been built on the Land Parcels with gross floor area of approximately 384,312 square feet, of which approximately 370,884 square feet is leasable. The Complex includes shopping mall, book store, clinic and restaurants. Currently, the Land Parcels have approximately 1,157 units of car-park spaces. The remaining site area of the Land Parcels is planned for future potential development of residential, senior housing and commercial uses. First Richmond North Shopping Centres Limited, which is 100% beneficially owned by the Target Company, is the registered owner of the Land Parcels. The original cost of the Land Parcels acquired by the Target Group is CAD208 million.

The Land Parcels are surrounded by supermarkets, Chinese shopping centre and offices, with approximately two minutes' driving distance from No. 3 Road and approximately 15 minutes' walking distance from Lansdowne station. It is also approximately 15 minutes' driving distance from Vancouver International Airport. The south side of the Land Parcels is the largest natural park in Vancouver.

## **REASONS FOR AND BENEFIT OF THE PROPOSED TRANSACTION**

For this Proposed Transaction, the Company considers that the target assets can produce a stable foreign currency cash flow which helps balancing debt expense of the Company dominated in US dollars. Especially with a view that the Group's revenue was mainly denominated in RMB, therefore, the fluctuations in the exchange rate of RMB against US dollars during the first half this year has affected the Group's results. The completion of the Proposed Transaction will increase the assets and income in foreign currencies of the



Company and help stabilise the Company's income. Meanwhile, the completion of the Proposed Transaction will help increase the Company's held for investment properties, further reinforcing the stability of the Company's profit.

As a leading developer in the PRC with an aim in building a homeland of green technology + comfort & energy-saving + full life cycle, the Company perceptively recognised that environment and climate are global issues to be commonly faced in the future. The Company is seeking the opportunities for product innovation and deepening the product chain, in order to serve the different needs from different life stages of our customers. The Company has been developing in the PRC for almost 20 years, building the MOMA brand and product line. The Company will start with Richmond of Vancouver, one of the most livable core cities, and build an integrated seniors community with green building elements. In addition, Richmond focuses in development of specific industries including residential, healthcare, shopping mall, hospitality and old-age centre. In view of the growing number of immigrants in Canada and the huge demand for old-age support for the seniors, it is expected that the population aged 65 or above will grow significantly in the next 10 years. At the same time, more Asians, including seniors from Asia are willing to move to green cities in Canada for settlement. Therefore, the Company decides to enter this market, open up a huge business opportunity for senior housing, and achieve harmonious coexistence and endless vitality of all the residents in the community, which is the belief and mission of environmental harmony between people and society that the Company is continuing marching towards to. The Company believes that the Proposed Transaction is beneficial to the Company's strategy and helps tapping into the elderly healthcare industry, with initiation by the elderly commercial complex to develop surrounding elderly-oriented residence, bringing about a cohesive elderly care community.

The Directors undertakes strategic reviews of the Company's assets from time to time with a view to maximising returns for the Shareholders. The Directors consider that the Proposed Transaction is a valuable investment opportunity for the Company. In view of the location and the designated use of the Land Parcels, the Board considers that the Proposed Transaction offers a good opportunity for the Group to enhance its presence in the property market in Canada. Subject to negotiations with the existing tenants in respect of the properties erected on the Land Parcels, the Group currently plans to redevelop the Land Parcels for residential and/or senior housing purpose(s). Accordingly, the Directors believe that the Proposed Transaction will enable the Company to strengthen and enhance its property development portfolio.

The Directors (except the independent non-executive Directors whose views will be formed after taking into account the advice of the Independent Financial Adviser) are of the view that the terms of the Share Purchase Agreement and the Proposed Transaction are on normal commercial terms after arm's length negotiations among the parties thereto, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Save and except Mr. Zhang who is materially interested in the Proposed Transaction as he holds 100% of Modern Commercial, and therefore, he abstained from voting on the relevant Board resolutions approving the Proposed Transaction, none of the other Directors was in any way materially interested in the Proposed Transaction and was required to abstain from voting on the relevant Board resolutions.



## **LISTING RULES IMPLICATIONS**

As one or more the applicable percentage ratios (as defined in the Listing Rules) in respect of the Proposed Transaction is/are more than 25% but less than 100%, the Proposed Transaction constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. Further, as at the date of this announcement, Modern Commercial is held as to 100% by Mr. Zhang, who is an executive Director, the chairman of the Board and a controlling Shareholder. Hence, Modern Commercial is a connected person by virtue of being an associate of Mr. Zhang and the Proposed Transaction also constitutes a connected transaction under Chapter 14A of the Listing Rules. Therefore, the Proposed Transaction is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Qin Youguo, Mr. Cui Jian, Mr. Hui Chun Ho, Eric and Mr. Zhong Bin, has been established to consider the terms of the Share Purchase Agreement and the Proposed Transaction, and to advise the Independent Shareholders as to whether the Proposed Transaction is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as whole.

Hooray Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Proposed Transaction.

## **GENERAL**

The EGM will be convened for the Independent Shareholders to consider and, if thought fit, approve the Share Purchase Agreement and the Proposed Transaction. In order to provide the Shareholders with information to consider and assess the Proposed Transaction, a circular containing, among other things, (a) further details on the Share Purchase Agreement and the Proposed Transaction; (b) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Proposed Transaction; (c) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Proposed Transaction; (d) the valuation report on the Land Parcels; and (e) the notice of the EGM and proxy form, will be despatched to the Shareholders. As additional time is required to prepare the aforesaid information for inclusion in the circular, it is expected that the circular will be despatched on or before 30 November 2018.

Mr. Zhang and his associates, together hold 1,848,740,410 Shares, representing approximately 66.27% of the existing issued share capital of the Company as at the date this announcement, are required to abstain from voting in respect of the resolution(s) that would be proposed to approve the Share Purchase Agreement and the Proposed Transaction at the EGM.

**It should be noted that the Closing of the Proposed Transaction is subject to a number of conditions including, but not limited to, the approval of the Share Purchase Agreement and the Proposed Transaction by the Independent Shareholders, which may or may not be fulfilled. The Proposed Transaction may or may not proceed. Shareholders and potential investors of the Company should exercise caution when they deal or contemplate dealing in the securities of the Company.**

## **DEFINITIONS**

“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Business Day”	any day of the year, other than a Saturday, Sunday or any day that major banks are closed for business in Vancouver, British Columbia, Canada or Hong Kong
“CAD”	Canadian dollar(s), the lawful currency of Canada
“Closing”	the closing of the transfer of all issued shares of the Target Company under the Share Purchase Agreement
“Closing Date”	13 December 2018 or such other date as may be mutually agreed upon by the parties to the Share Purchase Agreement in writing
“Closing Date Indebtedness”	the amount of indebtedness of the Target Company as at the date immediately prior to the Closing Date
“Closing Working Capital”	the working capital (current assets less current liabilities) of the Target Company as at the day immediately prior to the Closing Date
“Closing Working Capital Adjustment”	(i) if the Closing Working Capital is greater than the Target Working Capital, the positive amount equal to the Closing Working Capital minus the Target Working Capital; (ii) if the Closing Working Capital is less than the Target Working Capital, the negative amount equal to the Target Working Capital minus the Closing Working Capital; or (iii) otherwise, an amount equal to zero
“Company”	Modern Land (China) Co., 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

“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“controlling Shareholder”	has the meaning ascribed to it in the Listing Rules
“Directors”	the directors of the Company
“EGM”	an extraordinary general meeting of the Company to be convened for the purposes of considering and, if thought fit, passing the necessary resolution(s) to approve, among other matters, the Share Purchase Agreement and the Proposed Transaction
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee comprising all the independent non-executive Directors, namely Mr. Qin Youguo, Mr. Cui Jian, Mr. Hui Chun Ho, Eric and Mr. Zhong Bin, to advise the Independent Shareholders in relation to the Proposed Transaction
“Independent Financial Adviser”	Hooray Capital Limited, a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Proposed Transaction
“Independent Shareholder(s)”	Shareholder(s) other than Mr. Zhang and his associates who are required to abstain from voting at the EGM
“Independent Third Party(ies)”	third party(ies) independent of the Company and are not connected persons of the Company
“Kunyuan International”	Kunyuan International Group Ltd, a corporation incorporated in Vancouver, British Columbia, Canada
“Land Parcels”	the parcels of land of <ul style="list-style-type: none"> <li>(1) 029-351-243, Lot 1 Section 34 Block 5 North Range 6 West New Westminster District Plan EPP41032;</li> <li>(2) 029-351-251, Lot 2 Section 34 Block 5 North Range 6 West New Westminster District Plan EPP41032;</li> </ul>

- (3) 029-596-114, Lot 2 Section 34 Block 5 North Range 6 West New Westminster District Plan EPP41379;
- (4) 029-596-106, Lot 1 Section 34 Block 5 North Range 6 West New Westminster District Plan EPP41379;
- (5) 003-053-130, Lot 57 Section 34 Block 5 North Range 6 West New Westminster District Plan 46747, except Plan EPP41378; and
- (6) 003-053-113, Lot 58 Section 34 Block 5 North Range 6 West New Westminster District Plan 46747, except Plan EPP41377

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Modern Commercial”	Modern Commercial Holdings (Canada) Ltd, a corporation incorporated in Vancouver, British Columbia, Canada
“Modern Land No. 7”	Modern Land (HKNo. 7) Co., Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Mr. Zhang”	Mr. Zhang Lei, an executive Director, the chairman of the Board and a controlling Shareholder
“PRC”	the People’s Republic of China
“Proposed Transaction”	the purchase of all issued shares of the Target Company as contemplated under the Share Purchase Agreement
“Shareholder(s)”	holders of the Shares
“Share(s)”	the share(s) of the Company
“Share Purchase Agreement”	the share purchase agreement dated 16 October 2018 entered into among Modern Land No. 7, Modern Commercial and Kunyuan International in respect of the Proposed Transaction
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Modern Kunyuan Commercial Holdings (Canada) Ltd, a corporation incorporated in Vancouver, British Columbia, Canada
“Target Group”	the Target Company and its subsidiary(ies)
“Target Working Capital”	CAD0

“Vendors” collectively, Modern Commercial and Kunyuan International  
“%” per cent.

By order of the Board  
**Modern Land (China) Co., Limited**  
**Zhang Peng**  
*President and Executive Director*

Hong Kong, 16 October 2018

*As at the date of this announcement, the Board comprises ten Directors, namely executive Directors: Mr. Zhang Lei, Mr. Zhang Peng and Mr. Chen Yin; non-executive Directors: Mr. Fan Qingguo, Mr. Chen Zhiwei and Mr. Chen Anhua; and independent non-executive Directors: Mr. Qin Youguo, Mr. Cui Jian, Mr. Hui Chun Ho, Eric and Mr. Zhong Bin.*