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DISCLOSEABLE TRANSACTIONS: DEEMED DISPOSALS OF EQUITY INTERESTS IN, AND SHAREHOLDER'S LOANS TO, SUBSIDIARIES AND GRANT OF PUT OPTION

COOPERATION AGREEMENTS

The Board is pleased to announce that on 20 June 2014, Merchants Nanjing, a non wholly-owned subsidiary of the Company, entered into the Nanjing G14 Land Cooperation Agreement with Nanjing Qianjia and Shenzhen Luhong pursuant to which each of Merchants Nanjing, Nanjing Qianjia and Shenzhen Luhong will subscribe for a portion of the capital increase in the registered capital of Nanjing Xingsheng, and Shenzhen Luhong will provide a shareholder's loan to Nanjing Xingsheng for the purpose of repaying part of the shareholder's loan previously made by Merchants Nanjing.

The Board further announces that on 31 July 2014, Merchants Guangzhou, a non wholly-owned subsidiary of the Company, and Guangzhou Yi Yun, a project company wholly-owned by Merchants Guangzhou, entered into the Guangzhou Panyu Land Cooperation Agreement with Shenzhen Lianxin pursuant to which each of Merchants Guangzhou and Shenzhen Lianxin will subscribe for a portion of the capital increase in the registered capital of Guangzhou Yi Yun and Shenzhen Lianxin will provide a shareholder's loan to Guangzhou Yi Yun for the purpose of repaying part of the shareholder's loan previously made by Merchants Guangzhou.

As a result of the Deemed Disposals, there will be a net cash inflow amounted to approximately RMB796 million to the Group.

Under the Guangzhou Panyu Land Cooperation Agreement, Merchants Guangzhou has granted Shenzhen Lianxin a Put Option so that subject to and upon the Put Option Condition has been satisfied, Shenzhen Lianxin may require Merchants Guangzhou to purchase from Shenzhen Lianxin all of its equity interest in Guangzhou Yi Yun at a price to be determined by reference to a valuation to be carried out by an independent professional valuer of the underlying assets of Guangzhou Yi Yun as at the date when the Put Option condition is satisfied or, if such date cannot be determined, the date of giving of the Put Option notice. No premium will need to be paid in connection with the grant of the Put Option.

LISTING RULES IMPLICATIONS

Each of Nanjing Xingsheng and Guangzhou Yi Yun is a project company for the development of real estate projects on the Nanjing G14 Land and Guangzhou Panyu Land, respectively. As at the date of this announcement, Nanjing Xingsheng is owned as to 70% by Merchants Nanjing and 30% by Nanjing Qianjia. Guangzhou Yi Yun is owned as to 100% by Merchants Guangzhou. Upon completion of the Deemed Disposals, the equity interest of Merchants Nanjing in Nanjing Xingsheng and the equity interest of Merchants Guangzhou in Guangzhou Yi Yun will both be diluted to 51%. Therefore, each of the transactions contemplated under the Nanjing G14 Land Cooperation Agreement and the Guangzhou Panyu Land Cooperation Agreement constitutes a deemed disposal of the Group's equity interest in Nanjing Xingsheng and Guangzhou Yi Yun respectively under Rule 14.29 of the Listing Rules.

The Nanjing G14 Deemed Disposal itself did not constitute a notifiable transaction under Chapter 14 of the Listing Rules. However, as Shenzhen Lianxin is wholly-owned by Shenzhen Luhong and they are indirectly controlled by Ping An Real Estate, the relevant investment amounts to be contributed by Shenzhen Luhong and Shenzhen Lianxin, will be aggregated as required under Rule 14.22 and Rule 14.23 of the Listing Rules and the relevant applicable percentage ratios (defined under the Listing Rules) exceed 5% but are less than 25%. Therefore, the Deemed Disposals, on an aggregate basis, constitute a discloseable transaction of the Company and are subject to the reporting and announcement requirements under Rule 14.34 of the Listing Rules.

For the purpose of Rule 14.74 of the Listing Rules, the Put Option, the exercise of which is at the discretion of Shenzhen Lianxin, is classified as if the Put Option had been exercised upon its grant. Based on the available information as at the date of this announcement, the grant of the Put Option, which is considered as if it had been exercised upon its grant, constitutes a discloseable transaction under Chapter 14 of the Listing Rules. The Company will comply with the relevant requirements under the Listing Rules as and when appropriate should Shenzhen Lianxin exercise the Put Option.

Upon completion of the Deemed Disposals, each of Nanjing Xingsheng and Guangzhou Yi Yun will remain a subsidiary of the Company.

INTRODUCTION

On 20 June 2014, Merchants Nanjing entered into the Nanjing G14 Land Cooperation Agreement. On 31 July 2014, Merchants Guangzhou entered into the Guangzhou Panyu Land Cooperation Agreement. The principal terms of each of the two agreements are set out below.

1. NANJING G14 LAND COOPERATION AGREEMENT

Date

20 June 2014

Parties

- (a) Merchants Nanjing, a company established in the PRC with limited liability and owned as to 51% equity interest by Happy City Investments Limited, a wholly-owned subsidiary of the Company. The principal business of Merchants Nanjing is property development;
- (b) Nanjing Qianjia, a company established in the PRC with limited liability and currently a shareholder of Nanjing Xingsheng in which it holds 30% equity interest. The principal business of Nanjing Qianjia is investment management. To the best of the Directors' knowledge after due enquiry, Nanjing Qianjia and its ultimate beneficial owners are all Independent Third Parties; and
- (c) Shenzhen Luhong, a company established in the PRC with limited liability. The principal business of Shenzhen Luhong is investment management. To the best of the Directors' knowledge after due enquiry, (i) Shenzhen Luhong is indirectly controlled by Ping An Real Estate; and (ii) Shenzhen Luhong and Ping An Real Estate and their ultimate beneficial owners are all Independent Third Parties.

Basic information of Nanjing G14 Land Project and Nanjing Xingsheng

As announced by the Company on 9 April 2014, Merchants Nanjing had successfully bided the Nanjing G14 Land, i.e., a piece of land situated at east of 7th Guihuajing Road, Jiangning Airport Industrial District, Nanjing (南京市江寧空港開發區規劃經七路以東), for a total consideration of RMB578 million on 3 April 2014. The Nanjing G14 Land has a total site area of 110,872 sq.m., its permitted plot ratio is 1.44 and is designated for Type 2 housing and elementary community centre purpose with a term of usage for 70 years. As at 20 June 2014, the total consideration for the acquisition of the Nanjing G14 Land of RMB578 million has been paid in full to the Nanjing City State-owned Land Resources Bureau and had been contributed by Merchants Nanjing and Nanjing Qianjia at the ratio of 70:30, with RMB30 million out of which having been contributed in the form of registered capital of Nanjing Xingsheng and the remaining RMB548 million having been contributed in the form of shareholder's loans, i.e., RMB383.6 million by Merchants Nanjing (“**Merchants Nanjing Shareholder's Loan**”) and RMB164.4 million by Nanjing Qianjia.

Nanjing Xingsheng is a project company specifically established in the PRC on 28 May 2014 for the construction and development of the real estate project on the Nanjing G14 Land. Nanjing Xingsheng currently has a registered capital of RMB30 million and is held as to 70% by Merchants Nanjing and as to 30% by Nanjing Qianjia. According to its unaudited management accounts prepared in accordance with generally accepted accounting principles in the PRC, Nanjing Xingsheng's unaudited profit before taxation and extraordinary items for the period since its incorporation date up to 30 June 2014 was approximately RMB5,000.

The unaudited consolidated total assets value and the net asset value of Nanjing Xingsheng as at 30 June 2014 according to its unaudited management accounts are RMB598.2 million and RMB30 million respectively.

Investment by Shenzhen Luhong by way of capital increase and shareholder's loan

Pursuant to the terms of the Nanjing G14 Land Cooperation Agreement, the registered capital of Nanjing Xingsheng will increase from RMB30 million to RMB50 million, and Shenzhen Luhong shall invest RMB113.6 million, which is equal to the aggregate of 19% of the total consideration for acquisition of the Nanjing G14 Land as at 20 June 2014, through subscribing for capital increase of Nanjing Xingsheng and the provision of shareholder's loan by Shenzhen Luhong to Nanjing Xingsheng in proportion to its equity interest in Nanjing Xingsheng.

(a) Capital increase in Nanjing Xingsheng

The registered capital of Nanjing Xingsheng will increase from RMB30 million to RMB50 million. The subscription of the additional registered capital and the percentage equity interest in Nanjing Xingsheng of Merchants Nanjing, Nanjing Qianjia and Shenzhen Luhong before and after the capital increase are set out below:

	Capital contribution before capital increase <i>RMB (million)</i>	% of equity interest before completion of capital increase <i>%</i>	Contribution to the additional registered capital in cash <i>RMB (million)</i>	Total capital contribution after completion of capital increase <i>RMB (million)</i>	% of equity interest after completion of capital increase <i>%</i>
Merchants Nanjing	21	70	4.5	25.5	51
Nanjing Qianjia	9	30	6	15	30
Shenzhen Luhong	–	–	9.5	9.5	19
Total	30	100	20	50	100

(b) *Shareholder's loans to Nanjing Xingsheng*

Shenzhen Luhong shall provide a shareholder's loan of RMB104.1 million ("**Shenzhen Luhong Shareholder's Loan**") to Nanjing Xingsheng which shall be fully applied to repay part of the shareholder's loan provided by Merchants Nanjing to Nanjing Xingsheng. As result, the shareholder's loan provided by Merchants Nanjing to Nanjing Xingsheng will be reduced from RMB383.6 million to RMB279.5 million.

Nanjing G14 Financing Cost Reimbursement

When Shenzhen Luhong pays the Shenzhen Luhong Shareholder's Loan, it shall also make a reimbursement of financing costs ("**Nanjing G14 Financing Reimbursement Cost**") to Merchants Nanjing which shall be calculated as follows:

"Nanjing G14 Financing Reimbursement Cost"

= (Shenzhen Luhong Shareholder's Loan + Shenzhen Luhong's contribution to the additional registered capital) x PBOC Prevailing Interest Rate x D/360

= RMB113.62 million x PBOC Prevailing Interest Rate x D/360

"D"

= number of days commencing from and inclusive of the day of payment of the consideration for acquisition of the Nanjing G14 Land by Merchants Nanjing up to but exclusive of the day of repayment of the amount equivalent to Shenzhen Luhong Shareholder's Loan to Merchants Nanjing

Conditions precedent to Nanjing G14 Land Cooperation Agreement

Within 30 business days after the entering into of the Nanjing G14 Land Cooperation Agreement, Nanjing Xingsheng shall engage an independent professional valuer to carry out a valuation of the assets of Nanjing Xingsheng. It shall be a condition precedent to the obligations of the parties under the Nanjing G14 Land Cooperation Agreement that (i) all of them have agreed to accept the valuation results in writing and (ii) Merchants Nanjing has completed its internal approval and filing procedures with China Merchants Group Limited.

2. GUANGZHOU PANYU LAND COOPERATION AGREEMENT

Date

31 July 2014

Parties

- (a) Merchants Guangzhou, a company established in the PRC with limited liability and owned as to 30% equity interest by Converge Holdings Limited and 21% equity interest by Sino Action Investments Limited, both are wholly-owned subsidiaries of the Company. The principal business of Merchants Guangzhou is property development;
- (b) Shenzhen Lianxin, a company established in the PRC with limited liability. The principal business of Shenzhen Lianxin is investment management. To the best of the Directors' knowledge after due enquiry, (i) Shenzhen Lianxin is wholly-owned by Shenzhen Luhong and indirectly controlled by Ping An Real Estate; and (ii) Shenzhen Lianxin and Ping An Real Estate and their ultimate beneficial owners are all Independent Third Parties; and
- (c) Guangzhou Yi Yun is a company established in the PRC with limited liability and wholly-owned by Merchants Guangzhou. The principal business of Guangzhou Yi Yun is property development.

Basic information of Guangzhou Panyu Land Project and Guangzhou Yi Yun

As announced by the Company on 10 February 2014, Merchants Guangzhou had entered into a State-owned Land Use Rights Grant Agreement (國有建設用地使用權出讓合同) for the land use right of the land parcel in Guangzhou City, Guangdong Province, the PRC, for a total consideration of RMB1,460 million on 28 January 2014. The Guangzhou Panyu Land is situated at Huambo Business District, Nancun Town, Panyu District, Guangzhou (廣州市番禺區南村鎮萬博商務區). Guangzhou Panyu Land has a total site area of 17,779 sq.m., its permitted plot ratio is not more than 5.7 and is designated for wholesale and retail usage, accommodation and dining usage, business and financial usage and other commercial usage. The term for the above usages is 40 years.

The total consideration for the acquisition of the Guangzhou Panyu Land of RMB1,460 million has been paid in full to the Guangzhou City State-owned Land Resources Bureau.

Guangzhou Yi Yun is a project company specifically established in the PRC on 28 February 2014 for the construction and development of the real estate project on the Guangzhou Panyu Land. Guangzhou Yi Yun currently has a registered capital of RMB10 million and is held as to 100% by Merchants Guangzhou. Merchants Guangzhou has provided a shareholder loan to Guangzhou Yi Yun in the aggregate amount of RMB1,503.8 million.

According to its unaudited management accounts prepared in accordance with generally accepted accounting principles in the PRC, Guangzhou Yi Yun's unaudited loss before taxation and extraordinary items for the period since its incorporation date up to 30 June 2014 was approximately RMB200.

The unaudited consolidated total assets value and the net asset value of Guangzhou Yi Yun as at 30 June 2014 according to its unaudited management accounts are RMB1,514.8 million and RMB10 million respectively.

Investment by Shenzhen Lianxin by way of capital increase and shareholder's loan

Pursuant to the terms of the Guangzhou Panyu Land Cooperation Agreement, the registered capital of Guangzhou Yi Yun will increase from RMB10 million to RMB100 million, and Shenzhen Lianxin shall invest RMB785.9 million in Guangzhou Yi Yun through subscription for additional registered capital of Guangzhou Yi Yun and provision of shareholder's loan by Shenzhen Lianxin to Guangzhou Yi Yun in proportion to its equity interest in Guangzhou Yi Yun.

(a) Capital increase in Guangzhou Yi Yun

The registered capital of Guangzhou Yi Yun shall increase from RMB10 million to RMB100 million. The subscription of the additional registered capital and the shareholding of Merchants Guangzhou and Shenzhen Lianxin in Guangzhou Yi Yun before and after the capital increase are set out below:

	Capital contribution before capital increase RMB (million)	% of equity interest before completion of capital increase %	Contribution to the additional registered capital in cash RMB (million)	Total capital contribution after completion of capital increase RMB (million)	% of equity interest after completion of capital increase %
Merchants Guangzhou	10	100	41	51	51
Shenzhen Lianxin	-	-	49	49	49
Total	10	100	90	100	100

(b) Shareholder's loan to Guangzhou Yi Yun

The parties agreed that Shenzhen Lianxin shall provide a shareholder's loan of RMB736.9 million to Guangzhou Yi Yun for the purpose of enabling Guangzhou Yi Yun to repay to Merchants Guangzhou a corresponding amount of shareholder's loan previously made by Merchants Guangzhou. Upon the provision of the shareholder's loan of RMB736.9 million ("**Shenzhen Lianxin Shareholder's Loan**") by Shenzhen Lianxin and with an equivalent amount being repaid to Merchants Guangzhou by Guangzhou Yi Yun, Merchants Guangzhou will continue

to provide the remaining amount of RMB766.9 million of its shareholder's loan ("**Merchants Guangzhou Shareholder's Loan**") to Guangzhou Yi Yun. Since the date of provision of the shareholder loan by Shenzhen Lianxin ("**Lianxin Shareholder Loan Contribution Date**"), an interest at the rate of 10% above the PBOC Prevailing Interest Rate per annum will accrue on both the Lianxin Shareholder's Loan and the Merchants Guangzhou Shareholder's Loan.

The previous shareholder's loan of RMB1,503.8 million ("**Previous Merchants Guangzhou Shareholder's Loan**") provided by Merchants Guangzhou to Guangzhou Yi Yun shall also bear an interest at the same level of interest as that of the Lianxin Shareholder's Loan, i.e., 10% above the PBOC Prevailing Interest Rate per annum.

Conditions precedent for capital increase in Guangzhou Yi Yun

The obligations of both parties to contribute to the additional registered capital shall be subject to the following conditions precedent:

1. the state-owned land use right certificate issued by the relevant state-owned land resources authority in respect of the Guangzhou Panyu Land having been obtained;
2. all the documents contemplated under the Guangzhou Panyu Deemed Disposal having been signed by the parties;
3. Merchants Guangzhou having completed the valuation of the assets of Guangzhou Yi Yun and its filing of the valuation results with China Merchants Group Limited, and such results having been agreed by the parties; and
4. no material adverse change to the business operation and finance aspects of Guangzhou Yi Yun and no material violation of the terms of the Guangzhou Panyu Land Cooperation Agreement having occurred.

If any of the conditions precedent mentioned above is not satisfied by 31 August 2014, except if the reason for any condition precedent not having been satisfied is attributable to Shenzhen Lianxin, Shenzhen Lianxin shall have the right to terminate the Guangzhou Panyu Land Cooperation Agreement by notice in writing to Merchants Guangzhou.

Guangzhou Financing Cost Reimbursement

When Shenzhen Lianxin pays the Shenzhen Lianxin Shareholder's Loan, it shall also pay to Merchants Guangzhou a reimbursement of financing costs ("**Guangzhou Financing Reimbursement Cost**") which shall be calculated as follows:

"Guangzhou Financing Reimbursement Cost"

= RMB736.9 million (an amount equivalent to the Shenzhen Lianxin Shareholder's Loan) x 10% above the PBOC Prevailing Interest Rate x D1/360 x 30% above the PBOC Prevailing Interest Rate x D2/360

“D1”

= number of days since and inclusive of the day of provision of the Previous Merchants Guangzhou Shareholder’s Loan up to but exclusive of the day of contribution of the Shenzhen Lianxin Shareholder’s Loan

“D2”

= number of days since and inclusive of the day of provision of the Shenzhen Lianxin Shareholder’s Loan up to but exclusive of the day of payment of the Guangzhou Financing Reimbursement Cost.

The above payment of the Guangzhou Financing Reimbursement Cost shall be made by Guangzhou Yi Yun in its distribution of profit to Merchants Guangzhou and the same amount shall be deducted from the profit entitled to be received by Shenzhen Lianxin and be added to the profit entitled to be received by Merchants Guangzhou.

Put Option in Guangzhou Panyu Land Cooperation Agreement

Under the Guangzhou Panyu Land Cooperation Agreement, Merchants Guangzhou has granted Shenzhen Lianxin an option (“**Put Option**”), so that subject to and upon the sold gross floor area of the properties developed for sale in the Guangzhou Panyu Land Project has, in aggregate reached 95% of the total gross floor area for sale in the Guangzhou Panyu Land Project (“**Put Option Condition**”), based on the pre-sale contracts and/or sale and purchase contracts entered into with purchasers of the properties in the Guangzhou Panyu Land Project, Shenzhen Lianxin may by a notice in writing require Merchants Guangzhou to purchase from Shenzhen Lianxin all of its equity interest in Guangzhou Yi Yun at a price to be determined by a valuation to be carried out by an independent professional valuer of the underlying assets of Guangzhou Yi Yun as at the date when the Put Option Condition is satisfied or, if such date cannot be determined, the date of giving of the Put Option notice. No premium will need to be paid in connection with the grant of the Put Option.

REASONS FOR AND BENEFITS OF THE DEEMED DISPOSALS

The Group is principally engaged in the development, sale, lease, investment and management of properties in the PRC and the sales of electronic and electrical related products and sales of building related materials and equipment.

As a result of the Deemed Disposals, the total investment of the Group in the Nanjing G14 Land Project and the Guangzhou Panyu Land Project will be decreased by an aggregate amount of approximately RMB796 million. The decrease in total investment as a result of the Deemed Disposals and the cash income to be generated by the two projects to the Group are expected to increase the financial flexibility of the Group, which would enhance the Group’s capability in seizing future development and investment opportunities. In addition, the Board also considers that it would result in strategic cooperation with Ping An Real Estate by introducing of Ping An Real Estate which newly added a financing channel to the Group and strengthened the capital power of the Group, so that it could provide financial coverage for further development opportunities of the Group.

The terms of the Nanjing G14 Land Cooperation Agreement and the Guangzhou Panyu Land Cooperation Agreement have been arrived at after arm's length negotiations between the parties. The respective amount of contributions to be made by the relevant parties under the Nanjing G14 Land Cooperation Agreement and the Guangzhou Panyu Land Cooperation Agreement were agreed between the relevant parties by reference to their respective proportion of equity interests to be held by them in the project companies after completion of the capital increase.

The Directors are of the view that the terms of the Nanjing G14 Land Cooperation Agreement and the Guangzhou Panyu Land Cooperation Agreement and the Deemed Disposals contemplated thereunder are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

THE FINANCIAL IMPACT OF THE DEEMED DISPOSALS ON THE COMPANY

Upon completion of the Deemed Disposals, each of Nanjing Xingsheng and Guangzhou Yi Yun will remain a subsidiary of the Company. Accordingly, no expected gain or loss will be accrued to the Company as a result of the Deemed Disposals.

LISTING RULES IMPLICATIONS

Each of Nanjing Xingsheng and Guangzhou Yi Yun is a project company for holding the Nanjing G14 Land and Guangzhou Panyu Land, respectively. As at the date of this announcement, Nanjing Xingsheng is owned as to 70% by Merchants Nanjing and Guangzhou Yi Yun is owned as to 100% by Merchants Guangzhou. Upon completion of the Deemed Disposals, the equity interest of Merchants Nanjing in Nanjing Xingsheng and the equity interest of Guangzhou Merchants in Guangzhou Yi Yun will both be diluted to 51%. Therefore, each of the transactions contemplated under the Nanjing G14 Land Cooperation Agreement and the Guangzhou Panyu Land Cooperation Agreement constitute a deemed disposal of the Group's equity interest in Nanjing Xingsheng and Guangzhou Yi Yun respectively under Rule 14.29 of the Listing Rules.

The Nanjing G14 Deemed Disposals itself did not constitute a notifiable transaction under Chapter 14 of the Listing Rules. However, as Shenzhen Lianxin is wholly-owned by Shenzhen Luhong and they are indirectly controlled by Ping An Real Estate, the relevant investment amounts to be contributed by Shenzhen Luhong and Shenzhen Lianxin will be aggregated pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules and the relevant applicable percentage ratios (as defined under the Listing Rules) exceed 5% but are less than 25%. Therefore, the Deemed Disposals, on an aggregate basis, constitute a discloseable transaction of the Company and are subject to the reporting and announcement requirements under the Listing Rules.

For the purpose of Rule 14.74 of the Listing Rules, the Put Option, the exercise of which is at the discretion of Shenzhen Lianxin, is classified as if the Put Option had been exercised upon its grant. Based on the available information as at the date of this announcement, the grant of the Put Option, which is considered as if it had been exercised upon its grant, constitutes a discloseable transaction under Chapter 14 of the Listing Rules. The Company will comply with the relevant requirements under the Listing Rules as and should Shenzhen Lianxin exercise the Put Option.

DEFINITIONS

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

“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
“Deemed Disposals”	Nanjing G14 Deemed Disposal and Guangzhou Panyu Deemed Disposal
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Guangzhou Panyu Deemed Disposal”	the transactions contemplated under the Guangzhou Panyu Land Cooperation Agreement including the deemed disposal of 49% equity interest in Guangzhou Yi Yun to Shenzhen Lianxin as a result of capital increase, provision of the Shenzhen Lianxin Shareholder’s Loan for repayment of part of Merchants Guangzhou Shareholder’s Loan and the payment of Guangzhou Financing Reimbursement Cost
“Guangzhou Panyu Land”	a piece of land situated at Huambo Business District, Nancun Town, Panyu District, Guangzhou (廣州市番禺區南村鎮萬博商務區) with a total site area of 17,779 sq.m.
“Guangzhou Panyu Land Cooperation Agreement”	a cooperation agreement dated 31 July 2014 entered into between Merchants Guangzhou, Shenzhen Lianxin and Guangzhou Yi Yun in respect of the subscription of additional registered capital in and provision of shareholder’s loans to Guangzhou Yi Yun, as a result of which Shenzhen Lianxin will be interested in 49% equity interest in Guangzhou Yi Yun
“Guangzhou Yi Yun”	廣州依雲房地產有限公司 (Guangzhou Yi Yun Property Development Limited*), a company established in the PRC for engaging in the construction and development of the real estate property project on the Guangzhou Panyu Land
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Parties”	third parties independent of the Company and connected persons of the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Merchants Guangzhou”	廣州招商局地產有限公司 (Merchants Property Development (Guangzhou) Ltd.), a company established in the PRC and an indirect non wholly-owned subsidiary of the Company which is indirectly held as to 51% equity interest by the Company
“Merchants Nanjing”	招商局地產(南京)有限公司 (Merchants Nanjing Real Estate Co., Ltd.), a company established in the PRC and an indirect non wholly-owned subsidiary of the Company which is indirectly held as to 51% equity interest by the Company
“Nanjing G14 Deemed Disposal”	the transactions contemplated under the Nanjing G14 Land Cooperation Agreement including the deemed disposal of 19% equity interest in Nanjing Xingsheng to Shenzhen Luhong as a result of capital increase, provision of the Shenzhen Luhong Shareholder’s Loan for repayment of part of the Previous Merchants Nanjing Shareholder’s Loan and the payment of Nanjing G14 Financing Reimbursement Cost
“Nanjing G14 Land”	a piece of land situated at east of 7th Guihuajing Road, Jiangning Airport Industrial District, Nanjing (南京市江寧空港開發區規劃經七路以東) with a total site area of 110,872 sq.m.
“Nanjing G14 Land Cooperation Agreement”	a cooperation agreement dated 20 June 2014 entered into between Merchants Nanjing, Nanjing Qianjia and Shenzhen Luhong in respect of the subscription of additional registered capital in and provision of shareholder’s loans to Nanjing Xingsheng, as a result of which Shenzhen Luhong will be interested in 19% equity interest in Nanjing Xingsheng
“Nanjing Qianjia”	南京乾嘉投資有限公司 (Nanjing Qianjia Investment Company Limited*), a company established in the PRC and currently a shareholder of Nanjing Xingsheng as to 30% of its registered capital and a party to the Nanjing G14 Land Cooperation Agreement
“Nanjing Xingsheng”	南京招商興盛房地產有限公司 (Nanjing Merchants Xingsheng Property Development Limited*), a company established in the PRC for engaging in the construction and development of the real estate property project on the Nanjing G14 Land

“PBOC Prevailing Interest Rate”	the prevailing benchmark bank lending interest rate quoted by the People’s Bank of China (for one-year term)
“Ping An Real Estate”	平安不動產有限公司 (Ping An Real Estate Company Ltd.), a company established in the PRC with limited liability which indirectly controls Shenzhen Luhong and Shenzhen Lianxin
“PRC”	the People’s Republic of China which, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen Lianxin”	深圳聯新投資管理有限公司 (Shenzhen Lianxin Investment and Management Company Limited*), a company established in the PRC and a party to the Guangzhou Panyu Land Cooperation Agreement
“Shenzhen Luhong”	深圳市陸虹投資管理有限公司 (Shenzhen City Luhong Investment and Management Company Limited*), a company established in the PRC and a party to the Nanjing G14 Land Cooperation Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board of Directors of
China Merchants Land Limited
Mr. He Jianya
Chairman

Hong Kong, 31 July 2014

As at the date of this announcement, the Board comprises Dr. So Shu Fai, Mr. Xian Yaoqiang, Mr. Liu Zhuogen and Mr. Yu Zhiliang as Executive Directors; Mr. He Jianya, Ms. Wu Zhenqin and Ms. Liu Ning as Non-executive Directors and Dr. Wong Wing Kuen, Albert, Ms. Chen Yanping, Dr. Shi Xinping and Mr. He Qi as Independent Non-executive Directors.

* *Unofficial English translation denotes for identification purposes only*