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**DISCLOSEABLE AND CONNECTED TRANSACTIONS:  
ACQUISITION OF EQUITY INTERESTS IN,  
AND PROVISION OF SHAREHOLDER'S LOANS TO,  
TWO PROJECT COMPANIES**

**COOPERATION FRAMEWORK AGREEMENT I**

The Board is pleased to announce that on 5 May 2015, Guan Hua Gang, an indirect wholly-owned subsidiary of the Company, Shenzhen Lianxin, a company indirectly controlled by Ping An Real Estate, CR Land Shenzhen and Guangzhou Lianzhou, a project company established specifically for the construction and development of the real estate project on the AT1004010 Land situated in Tianhe District, Guangzhou, the PRC, entered into the Cooperation Framework Agreement I pursuant to which, among other things, (i) Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen will subscribe in cash for their respective portions of the capital increase in the registered capital of Guangzhou Lianzhou as a result of which Guangzhou Lianzhou, which is wholly-owned by Shenzhen Lianxin as at the date of this announcement, will be owned as to 34%, 33% and 33% by Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen respectively; and (ii) upon completion of the Guangzhou Lianzhou Capital Increase, Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen will provide shareholders' loans to Guangzhou Lianzhou in proportion to their shareholding percentage in Guangzhou Lianzhou.

## **COOPERATION FRAMEWORK AGREEMENT II**

On the same date, Guan Hua Gang, Shenzhen Lianxin, CR Land Shenzhen and Guangzhou Liansen, a project company established specifically for the construction and development of the real estate project on the AT1004015 Land situated in Tianhe District, Guangzhou, the PRC, entered into Cooperation Framework Agreement II pursuant to which, among other things, (i) Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen will subscribe in cash for their respective portions of the capital increase in the registered capital of Guangzhou Liansen as a result of which Guangzhou Liansen, which is wholly-owned by Shenzhen Lianxin as at the date of this announcement, will be owned as to 34%, 33% and 33% by Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen respectively; and (ii) upon completion of the Guangzhou Liansen Capital Increase, Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen will provide shareholders' loans to Guangzhou Liansen in proportion to their shareholding percentage in Guangzhou Liansen.

## **LISTING RULES IMPLICATIONS**

Since the relevant applicable percentage ratios (as defined under the Listing Rules) of the transactions under Cooperation Framework Agreement I and the transactions under Cooperation Framework Agreement II, no matter considered separately or on aggregate basis, exceed 5% but are less than 25%, the Acquisitions constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Shenzhen Lianxin is a connected person of the Company at the subsidiary level. Accordingly, the transactions contemplated under the Cooperation Framework Agreements are connected transactions of the Company at the subsidiary level under Chapter 14A of the Listing Rules. As the Board has approved the Cooperation Framework Agreements and the transactions contemplated thereunder, and all the independent non-executive Directors have confirmed that the terms of the Cooperation Framework Agreements and the transactions thereunder are fair and reasonable, on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole, the Cooperation Framework Agreements and the transactions contemplated thereunder are only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules and are exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules. As none of the Directors has any material interest in the Cooperation Framework Agreements and the transactions contemplated thereunder, no Director was required to abstain from voting on the relevant board resolutions approving the Cooperation Framework Agreements and the transactions contemplated thereunder.

## **INTRODUCTION**

### **Cooperation Framework Agreement I**

The Board is pleased to announce that on 5 May 2015, Guan Hua Gang, an indirect wholly-owned subsidiary of the Company, Shenzhen Lianxin, a company indirectly controlled by Ping An Real Estate, CR Land Shenzhen and Guangzhou Lianzhou entered into the Cooperation Framework Agreement I pursuant to which, among other things, (i) Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen will subscribe for their respective portions of the capital increase in the registered capital of Guangzhou Lianzhou as a result of which Guangzhou Lianzhou, which is wholly-owned by Shenzhen Lianxin as at the date of this announcement, will be owned as to 34%, 33% and 33% by Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen respectively; and (ii) upon completion of the Guangzhou Lianzhou Capital Increase, Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen will provide shareholders' loans to Guangzhou Lianzhou in proportion to their shareholding percentage in Guangzhou Lianzhou.

### **Cooperation Framework Agreement II**

On the same date, Guan Hua Gang, Shenzhen Lianxin, CR Land Shenzhen and Guangzhou Liansen entered into the Cooperation Framework Agreement II pursuant to which, among other things, (i) Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen will subscribe for their respective portions of the capital increase in the registered capital of Guangzhou Liansen as a result of which Guangzhou Liansen, which is wholly-owned by Shenzhen Lianxin as at the date of this announcement, will be owned as to 34%, 33% and 33% by Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen respectively; and (ii) upon completion of the Guangzhou Liansen Capital Increase, Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen will provide shareholders' loans to Guangzhou Liansen in proportion to their shareholding percentage in Guangzhou Liansen.

Details of the Cooperation Framework Agreements are summarized below.

#### **1. Cooperation Framework Agreement I**

##### **Date**

5 May 2015

##### **Parties**

- (a) Guan Hua Gang, an indirect wholly-owned subsidiary of the Company;
- (b) Shenzhen Lianxin, a company established in the PRC with limited liability and indirectly controlled by Ping An Real Estate. To the best of the Directors' knowledge, information and belief, the principal business of Shenzhen Lianxin is investment management.

Shenzhen Lianxin is the holder of 49% equity interest of 廣州依雲房地產有限公司 (Guangzhou Yi Yun Property Development Limited\*), an indirect non wholly-owned subsidiary of the Company and a project company engaging in the construction and development of a real estate project situated in Panyu District, Guangzhou, the PRC, details of which were disclosed in the announcement of the Company dated 31 July 2014. Ping An Real Estate indirectly controls certain substantial shareholders (including Shenzhen Lianxin) of subsidiaries of the Company. Shenzhen Lianxin is therefore a connected person of the Company at the subsidiary level.

- (c) CR Land Shenzhen, a company established in the PRC and indirectly wholly-owned by CR Land. CR Land is a company incorporated in the Cayman Islands and whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1109). To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the principal business of CR Land Shenzhen is investment holding and CR Land Shenzhen and its ultimate beneficial owners are third parties independent of the Company and its connected persons.
- (d) Guangzhou Lianzhou, a company wholly-owned by Shenzhen Lianxin. To the best of the Directors' knowledge, information and belief, the principal business activities of Guangzhou Lianzhou are the construction and development of real estate project in the PRC.

#### **Basic information of Guangzhou Lianzhou and AT1004010 Land**

Guangzhou Lianzhou was established in the PRC with limited liability on 24 November 2014 with a registered capital of RMB10 million and wholly-owned by Shenzhen Lianxin as at the date of this announcement. Shenzhen Lianxin had on 10 November 2014 entered into a land transfer contract to acquire the land use right in the land situated at the Huamei Milk Factory AT1004010 Land Parcel, Huang Yun Road, Tianhe District, Guangzhou, the PRC (廣州市天河區黃雲路華美牛奶廠AT1004010地塊) for a total consideration of RMB1,120 million (“**AT1004010 Land Consideration**”) which has already been paid in full by Shenzhen Lianxin. The AT1004010 Land has a total site area of 35,348.3 sq.m. and its permitted plot ratio gross floor area is not more than 77,628 sq.m.. The AT1004010 Land is designated for residential usage and its term is 70 years.

An aggregate of approximately RMB1,121 million (“**AT1004010 Advance Funding**”) had been advanced by Shenzhen Lianxin to Guangzhou Lianzhou for making payment to the land resources department of Guangzhou of the AT1004010 Land Consideration and the relevant stamp duty and transaction fees.

According to the unaudited consolidated management accounts of Guangzhou Lianzhou for the period since its incorporation date up to 31 March 2015, no profit or loss was recognised and its unaudited consolidated total assets and the net asset value of Guangzhou Lianzhou as at 31 March 2015 were approximately RMB1,121 million and nil respectively.

## Acquisition of equity interest in Guangzhou Lianzhou by way of the Guangzhou Lianzhou Capital Increase

Pursuant to the terms of Cooperation Framework Agreement I, the registered capital of Guangzhou Lianzhou will increase from RMB10 million to RMB200 million. The subscription to the capital increase and the percentage of equity interest in Guangzhou Lianzhou to be held by Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen before and after the Guangzhou Lianzhou Capital Increase are set out below:

|                  | Capital<br>contribution<br>before<br>capital<br>increase<br>RMB<br>(million) | % of equity<br>interest<br>before<br>completion<br>of capital<br>increase<br>% | Contribution<br>to the<br>additional<br>registered<br>capital<br>in cash<br>RMB<br>(million) | Total<br>capital<br>contribution<br>after<br>completion<br>of capital<br>increase<br>RMB<br>(million) | % of equity<br>interest<br>after<br>completion<br>of capital<br>increase<br>% |
|------------------|--|--|--|---|---|
| Guan Hua Gang    | –  | –  | 68   | 68  | 34  |
| Shenzhen Lianxin | 10   | 100  | 56   | 66  | 33  |
| CR Land Shenzhen | –  | –  | 66   | 66  | 33  |
| Total            | 10   | 100  | 190  | 200   | 100   |

## Shareholders' loans to Guangzhou Lianzhou

Pursuant to the terms of Cooperation Agreement I, Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen will respectively provide Guangzhou Lianzhou Shareholders' Loans in cash to Guangzhou Lianzhou for the purpose of reimbursement of the AT1004010 Advance Funding and the AT1004010 Advance Funding Cost (as defined below) to Shenzhen Lianxin and as working capital for Guangzhou Lianzhou. The term of each of the shareholders' loans shall be 1.5 years and shall bear interest at the rate of PBOC Interest Rate (one to three years term) times 120% per annum. The interest accrued on the outstanding principal amounts shall be payable to the respective shareholders semi-annually and all outstanding principal amounts and the interest accrued thereon shall be repaid in full on the maturity date.

## AT1004010 Advance Funding Cost Reimbursement

The parties have agreed that a cost of the AT1004010 Advance Funding for the period prior to the AT1004010 Contribution Date (as defined below) shall be payable by Guangzhou Lianzhou to Shenzhen Lianxin, which shall be calculated at the rate of PBOC Interest Rate (one year term) times 120% per annum for that relevant period ("AT1004010 Advance Funding Cost").

## **Completion of Guangzhou Lianzhou Capital Increase**

Contributions to the capital increase and the shareholders' loans to Guangzhou Lianzhou shall be paid within 10 working days ("**AT1004010 Contribution Date**") after signing of Cooperation Framework Agreement I.

Upon all of the following conditions being fulfilled, Shenzhen Lianxin shall procure the registration of change in shareholders and registered capital at the relevant regulatory authority to record the Guangzhou Lianzhou Capital Increase and the change in shareholding to be completed within 3 months thereafter:

- (a) each of Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen has paid its contribution to the capital increase and shareholder's loan to Guangzhou Lianzhou in full;
- (b) Guan Hua Gang has completed its valuation of the assets of Guangzhou Lianzhou and the internal approval and filing procedures with China Merchants Group Limited; and
- (c) CR Land Shenzhen has completed its valuation of the assets of Guangzhou Lianzhou and the internal approval and filing procedures with China Resources (Holdings) Company Limited.

The subscription to its relevant portion of the capital increase in the amount of RMB68 million by Guan Hua Gang and the provision of the shareholder's loan by Guan Hua Gang to Guangzhou Lianzhou will be funded in cash by the Group's internal resources.

Upon completion of Guangzhou Lianzhou Capital Increase, Guan Hua Gang will own 34% equity interest in Guangzhou Lianzhou. The financial results of Guangzhou Lianzhou will not be consolidated with the results of the Group.

## **2. Cooperation Framework Agreement II**

### **Date**

5 May 2015

### **Parties**

- (a) Guan Hua Gang;
- (b) Shenzhen Lianxin;
- (c) CR Land Shenzhen; and
- (d) Guangzhou Liansen, a company wholly-owned by Shenzhen Lianxin. To the best of the Directors' knowledge, information and belief, the principal business activities of Guangzhou Liansen are the construction and development of real estate projects in the PRC.

## Basic information of Guangzhou Liansen and AT1004015 Land

Guangzhou Liansen was established in the PRC with limited liability on 24 November 2014 with a registered capital of RMB10 million and wholly-owned by Shenzhen Lianxin as at the date of this announcement. Shenzhen Lianxin had on 10 November 2014 entered into a land transfer contract to acquire the land use right in the land situated at the Huamei Milk Factory AT1004015 Land Parcel, Huang Yun Road, Tianhe District, Guangzhou, the PRC (廣州市天河區黃雲路華美牛奶廠AT1004015地塊) for a total consideration of RMB1,290 million (“**AT1004015 Land Consideration**”) which has already been paid in full by Shenzhen Lianxin. The AT1004015 Land has a total site area of 35,647.9 sq.m. and its permitted plot ratio gross floor area is not more than 91,077 sq.m.. The AT1004015 Land is designated for residential usage and its term is 70 years.

An aggregate of approximately RMB1,291 million (“**AT1004015 Advance Funding**”) had been advanced by Shenzhen Lianxin to Guangzhou Liansen for making payment to the land resources department of Guangzhou of the AT1004015 Land Consideration and the relevant stamp duty and transaction fees.

According to the unaudited consolidated management accounts of Guangzhou Liansen for the period since its incorporation date up to 31 March 2015, no profit or loss was recognised and its unaudited consolidated total assets and the net asset value of Guangzhou Liansen as at 31 March 2015 were approximately RMB1,291 million and nil respectively.

## Acquisition of equity interest in Guangzhou Liansen by way of the Guangzhou Liansen Capital Increase

Pursuant to the terms of Cooperation Framework Agreement II, the registered capital of Guangzhou Liansen will increase from RMB10 million to RMB200 million. The subscription to the capital increase and the percentage of equity interest in Guangzhou Liansen to be held by Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen before and after the Guangzhou Liansen Capital Increase are set out below:

|                  | Capital<br>contribution<br>before<br>capital<br>increase<br>RMB<br>(million) | % of equity<br>interest<br>before<br>completion<br>of capital<br>increase<br>% | Contribution<br>to the<br>additional<br>registered<br>capital<br>in cash<br>RMB<br>(million) | Total<br>capital<br>contribution<br>after<br>completion<br>of capital<br>increase<br>RMB<br>(million) | % of equity<br>interest<br>after<br>completion<br>of capital<br>increase<br>% |
|------------------|--|--|--|---|---|
| Guan Hua Gang    | –  | –  | 68   | 68  | 34  |
| Shenzhen Lianxin | 10   | 100  | 56   | 66  | 33  |
| CR Land Shenzhen | –  | –  | 66   | 66  | 33  |
| Total            | 10   | 100  | 190  | 200   | 100   |



## **Shareholders' loans to Guangzhou Liansen**

Pursuant to the terms of Cooperation Agreement II, Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen will respectively provide Guangzhou Liansen Shareholders' Loans in cash to Guangzhou Liansen for the purpose of reimbursement of the AT1004015 Advance Funding and the AT1004015 Advance Funding Cost (as defined below) to Shenzhen Lianxin and as working capital for Guangzhou Liansen. The term of each of the shareholders' loans shall be 1.5 years and shall bear interest at the rate of PBOC Interest Rate (one to three years term) times 120% per annum. The interest accrued on the outstanding principal amounts shall be payable to the respective shareholders semi-annually and all outstanding principal amounts and the interest accrued thereon shall be repaid in full on the maturity date.

## **AT1004015 Advance Funding Cost Reimbursement**

The parties have agreed that a cost of the AT1004015 Advance Funding for the period prior to the AT1004015 Contribution Date (as defined below) shall be payable by Guangzhou Liansen to Shenzhen Lianxin, which shall be calculated at the rate of PBOC Interest Rate (one year term) times 120% per annum for that relevant period ("**AT1004015 Advance Funding Cost**").

## **Completion of Guangzhou Liansen Capital Increase**

Contributions to the capital increase and the shareholders' loans to Guangzhou Liansen shall be paid within 10 working days ("**AT1004015 Contribution Date**") after signing of Cooperation Framework Agreement II.

Upon all of the following conditions being fulfilled, Shenzhen Lianxin shall procure the registration of change in shareholders and registered capital at the relevant regulatory authority to record Guangzhou Liansen Capital Increase and the change in shareholding to be completed within 3 months thereafter:

- (a) each of Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen has paid its contribution to the capital increase and shareholder's loan to Guangzhou Liansen in full;
- (b) Guan Hua Gang has completed its valuation of the assets of Guangzhou Liansen and the internal approval and filing procedures with China Merchants Group Limited; and
- (c) CR Land Shenzhen has completed its valuation of the assets of Guangzhou Liansen and the internal approval and filing procedures with China Resources (Holdings) Company Limited.

The subscription to its relevant portion of the capital increase in the amount of RMB68 million by Guan Hua Gang and the provision of the shareholder's loan by Guan Hua Gang to Guangzhou Liansen will be funded in cash by the Group's internal resources.

Upon completion of Guangzhou Liansen Capital Increase, Guan Hua Gang will own 34% equity interest in Guangzhou Liansen. The financial results of Guangzhou Liansen will not be consolidated with the results of the Group.



## **REASONS FOR AND BENEFITS OF THE ACQUISITIONS**

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

The Company is optimistic about the prospects and development of the real estate property market in the PRC. The Company believes that the Acquisitions offer a good opportunity for the Group to enhance its investment portfolio in the property market in the PRC with a view to bringing more investment return for the Shareholders. The Acquisitions are also in line with the strategic cooperation with Ping An Real Estate and will also enable the Group to set ground for future business cooperation with CR Land if opportunity arises which will be beneficial to the business strategy and development of the Group.

The terms of the Cooperation Framework Agreements have been arrived at after arm's length negotiations between the parties. The Directors (including the independent non-executive Directors) have confirmed that the terms of the Cooperation Framework Agreements and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Since the relevant applicable percentage ratios (defined under the Listing Rules) of the transactions under Cooperation Framework Agreement I and the transactions under Cooperation Framework Agreement II, no matter considered separately or on aggregate basis, exceed 5% but are less than 25%, the Acquisitions constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Shenzhen Lianxin is a connected person of the Company at the subsidiary level. Accordingly, the transactions contemplated under the Cooperation Framework Agreements are connected transactions of the Company at the subsidiary level under Chapter 14A of the Listing Rules. As the Board has approved the Cooperation Framework Agreements and the transactions contemplated thereunder, and all the independent non-executive Directors have confirmed that the terms of the Cooperation Framework Agreements and the transactions thereunder are fair and reasonable, on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole, the Cooperation Framework Agreements and the transactions contemplated thereunder are only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules and are exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules. As none of the Directors has any material interest in the Cooperation Framework Agreements and the transactions contemplated thereunder, no Director was required to abstain from voting on the relevant board resolutions approving Cooperation Framework Agreements and the transactions contemplated thereunder.

## DEFINITIONS

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

|                                      |   |
|--------------------------------------|---|
| “AT1004010 Land”                     | a piece of land situated at Huamei Milk Factory AT1004010 Land Parcel, Huang Yun Road, Tianhe District, Guangzhou, the PRC (廣州市天河區黃雲路華美牛奶廠AT1004010地塊), with a total site area of 35,348.3 sq.m.  |
| “AT1004015 Land”                     | a piece of land situated at Huamei Milk Factory AT1004015 Land Parcel, Huang Yun Road, Tianhe District, Guangzhou, the PRC (廣州市天河區黃雲路華美牛奶廠AT1004015地塊), with a total site area of 35,647.9 sq.m.  |
| “Company”                            | China Merchants Land Limited, a company incorporated in the Cayman Islands as an exempted company with limited liability on 24 April 1997 and the issued shares of which are listed on the main board of the Stock Exchange (stock code: 0978)  |
| “Cooperation Framework Agreement I”  | a cooperation framework agreement dated 5 May 2015 entered into between Guan Hua Gang, Shenzhen Lianxin, CR Land Shenzhen and Guangzhou Lianzhou in respect of, among other things, the capital increase of Guangzhou Lianzhou from RMB10 million to RMB200 million and the provision of Guangzhou Lianzhou Shareholders’ Loans |
| “Cooperation Framework Agreement II” | a cooperation framework agreement dated 5 May 2015 entered into between Guan Hua Gang, Shenzhen Lianxin, CR Land Shenzhen and Guangzhou Liansen in respect of, among other things, the capital increase of Guangzhou Liansen from RMB10 million to RMB200 million and the provision of Guangzhou Liansen Shareholders’ Loans    |
| “Cooperation Framework Agreements”   | Cooperation Framework Agreement I and Cooperation Framework Agreement II collectively   |
| “CR Land”                            | 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 (Stock Code: 1109)   |
| “CR Land Shenzhen”                   | 華潤置地一二三四 (深圳) 商業營運管理有限公司 (Huarun Zhidi One Two Three Four (Shenzhen) Commercial Operation Management Company Limited*), a company established in the PRC with limited liability and indirectly wholly-owned by CR Land  |

|   |  |
|---|--|
| “Director(s)”                           | director(s) of the Company   |
| “Group”                                 | the Company and its subsidiaries   |
| “Guangzhou Liansen”                     | 廣州聯森房地產有限公司 (Guangzhou Liansen Real Estate Company Limited*), a company established in the PRC for engaging in the construction and development of the real estate project situated on the AT1004015 Land and wholly-owned by Shenzhen Lianxin as at the date of this announcement   |
| “Guangzhou Liansen Capital Increase”    | the increase of the registered capital of Guangzhou Liansen from RMB10 million to RMB200 million to be contributed by Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen as to RMB68 million, RMB56 million and RMB66 million respectively as a result of which the registered capital of Guangzhou Liansen would become owned as to 34%, 33% and 33% by Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen respectively   |
| “Guangzhou Liansen Shareholders’ Loans” | the shareholders’ loans in the respective amounts of RMB390,810,790 plus 34% of the AT1004015 Advance Funding Cost, RMB379,316,355 plus 33% of the AT1004015 Advance Funding Cost and RMB379,316,355 plus 33% of the AT1004015 Advance Funding Cost to be provided by Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen to Guangzhou Liansen pursuant to the terms of Cooperation Framework Agreement II                    |
| “Guangzhou Lianzhou”                    | 廣州聯洲房地產有限公司 (Guangzhou Lianzhou Real Estate Company Limited*), a company established in the PRC for engaging in the construction and development of the real estate project situated on the AT1004010 Land and wholly-owned by Shenzhen Lianxin as at the date of this announcement  |
| “Guangzhou Lianzhou Capital Increase”   | the increase of the registered capital of Guangzhou Lianzhou from RMB10 million to RMB200 million to be contributed by Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen as to RMB68 million, RMB56 million and RMB66 million respectively as a result of which the registered capital of Guangzhou Lianzhou would become owned as to 34%, 33% and 33% by Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen respectively |

|  |   |
|--|---|
| “Guangzhou Lianzhou Shareholders’ Loans”       | the shareholders’ loans in the respective amounts of RMB331,247,890 plus 34% of the AT1004010 Advance Funding Cost, RMB321,505,305 plus 33% of the AT1004010 Advance Funding Cost and RMB321,505,305 plus 33% of the AT1004010 Advance Funding Cost to be provided by Guan Hua Gang, Shenzhen Lianxin and CR Land Shenzhen to Guangzhou Lianzhou pursuant to the terms of Cooperation Framework Agreement I |
| “Guan Hua Gang”                                | 冠華港貿易(深圳)有限公司 (Guan Hua Gang Trading (Shenzhen) Co., Ltd.*), a company established in the PRC and an indirect wholly-owned subsidiary of the Company as at the date of this announcement  |
| “Hong Kong”                                    | the Hong Kong Special Administrative Region of the PRC  |
| “Listing Rules”                                | the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time  |
| “PBOC Interest Rate (one to three years term)” | the benchmark bank lending interest rate quoted by the People’s Bank of China (for one to three years term)   |
| “PBOC Interest Rate (one year term)”           | the 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 Lianxin  |
| “PRC”  | the People’s Republic of China which, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan  |
| “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  |
| “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, a party to the Cooperation Framework Agreements and indirectly controlled by Ping An Real Estate  |
| “Stock Exchange”                               | The Stock Exchange of Hong Kong Limited   |

“the Acquisitions”

the transactions contemplated under Cooperation Framework Agreement I and the transactions contemplated under Cooperation Framework Agreement II, which include the subscription of 34% equity interest in each of Guangzhou Lianzhou and Guangzhou Liansen by Guan Hua Gang and the provision of shareholder’s loans by Guan Hua Gang to Guangzhou Lianzhou and Guangzhou Liansen respectively

“%”

per cent.

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

Hong Kong, 5 May 2015

*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*