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DISCLOSEABLE TRANSACTION

SUBSCRIPTION OF SHARES

SUBSCRIPTION AGREEMENT

The Board is pleased to announce that on 8 April 2016, Cosmos Harvest, an indirect wholly-owned subsidiary of the Company, entered into the Subscription Agreement with Maxwell Investment, a company controlled by Singbridge International Singapore Pte Ltd., and the Target Company, all of which are Independent Third Parties, pursuant to which, among other things, (i) Cosmos Harvest will subscribe for new ordinary shares in the Target Company; (ii) the Target Company will redeem all issued redeemable shares held by Maxwell Investment; (iii) the Target Company will repay part of the shareholder's loan owed to Maxwell Investment using part of the proceeds of the Subscription; (iv) Maxwell Investment will apply the remaining shareholder's loan balance owed from the Target Company for subscription of new ordinary shares in the Target Company; and (v) the Target Company will apply the remainder of the proceeds of the Subscription as working capital of the Target Group.

Upon completion of the transactions contemplated under the Subscription Agreement, the Target Company will be held as to 60% by Cosmos Harvest and 40% by Maxwell Investment, and the Target Company will become an indirect subsidiary of the Company.

The Target Company owns 100% equity interest in the Project Company, a project company established specifically for the construction and development of the real estate project on the ZSCN-A2-1 Land situated at 中新廣州知識城區 (Zhongxin Guangzhou Zhishicheng District*) in Guangzhou, the PRC.

LISTING RULES IMPLICATIONS

Since the relevant applicable percentage ratios (defined under the Listing Rules) of the Subscription exceed 5% but is less than 25%, the Subscription constitutes a discloseable transaction of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

Subscription Agreement

The Board is pleased to announce that on 8 April 2016, Cosmos Harvest, an indirect wholly-owned subsidiary of the Company, entered into the Subscription Agreement with Maxwell Investment, a company controlled by Singbridge International Singapore Pte Ltd. and the Target Company, all of which are Independent Third Parties.

Details of the Subscription Agreement are summarized below.

Subscription Agreement

Date

8 April 2016

Parties

- (a) **Cosmos Harvest** is a company established in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. The principal business of Cosmos Harvest is investment holding.
- (b) **Maxwell Investment** is a company established in Singapore and it is indirectly controlled by Singbridge International Singapore Pte Ltd. To the best of the Directors' knowledge, information and belief, the principal business of Maxwell Investment is investment holding.
- (c) **Target Company** is a company incorporated in Hong Kong with limited liability and currently wholly-owned by Maxwell Investment. To the best of the Directors' knowledge, information and belief, the principal business of the Target Company is investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of Maxwell Investment, the Target Company and their ultimate beneficial owners do not have any other relationship with the Company and its connected persons. Accordingly, each of Maxwell Investment and the Target Company are Independent Third Parties.

Consideration

RMB437,058,300 in cash to be paid by Cosmos Harvest to the Target Company in full at completion of the Subscription under the Subscription Agreement (“**Completion**”).

The Consideration was arrived at after arm's length negotiation between the parties to the Subscription Agreement on normal commercial terms, having considered the agreed value of the ZSCN-A2-1 Land and its assets and its future working capital needs.

The Consideration will be funded from internal resources of the Group.

Completion

Completion will take place on the 5th Business Day after the date of signing of the Subscription Agreement or such other date as the parties to the Subscription Agreement agree in writing.

Application of Proceeds and other obligations

As at the date of the Subscription Agreement, the Target Company has in issue 10 redeemable shares and has a non-interest bearing shareholders' loan of RMB424,649,988 (“**Shareholder's Loan**”) due to Maxwell Investment. Under the Subscription Agreement, the following transactions will also take place after Completion:

1. Within 5 Business Days after Completion:
 - (a) the Target Company shall apply RMB361,208,288 from the Consideration to repay part of the Shareholder's Loan to Maxwell Investment (“**Partial Repayment**”); and
 - (b) Subject to the Partial Repayment, Maxwell Investment will apply the remainder of the Shareholder's Loan then totaling RMB63,441,700 to subscribe for 40 new ordinary shares in the Target Company.
2. Within 10 Business Days after Completion:
 - (a) the Target Company shall redeem all of the 10 redeemable shares in the Target Company held by Maxwell Investment for RMB10; and
 - (b) the Target Company will apply RMB75,350,012 from the proceeds of the Subscription as working capital of the Target Group.

After Completion and immediately after completion of the transactions contemplated above, the Target Company will be held by Cosmos Harvest as to 60% and Maxwell Investment as to 40%, and the Target Company will become an indirect subsidiary of the Company and the financial results of the Target Group will be consolidated with the results of the Group.

After Completion, the board of directors of each of the Target Company and the Project Company will consist of 5 directors, 3 directors (including the chairman of each member of the Target Group and the legal representative of the Project Company) will be nominated by Cosmos Harvest, and the remainder to be nominated by Maxwell Investment.

Basic information of the Target Company, the Project Company and ZSCN-A2-1 Land

The Target Company is a company established in Hong Kong with limited liability on 9 July 2013 and is wholly-owned by Maxwell Investment. To the best of the Directors' knowledge, information and belief, the principal business of the Target Company is investment holding.

The Project Company is a wholly foreign owned enterprise established in the PRC on 7 March 2014 with a registered capital of RMB500,000,000, and wholly-owned by the Target Company. The business scope of the Project Company include the development, construction, sales, management and lease of self-constructed commercial and residential buildings and amenities on ZSCN-A2-1 Land.

The ZSCN-A2-1 Land is a piece of land situated at 中新廣州知識城南起步區KS3-2號路以北, KS4-4號路北延線以東 (to the north of No. KS3-2 Road and to the east of the northern extension lane of No. KS4-4 Road at Zhongxin Guangzhou Zhishicheng Nanqibu District*) in Guangzhou, the PRC (“**ZSCN-A2-1 Land**”), with a total land area of 179,039 square metres and its permitted plot ratio is between 1 and 1.6. The ZSCN-A2-1 Land is designated for a mix of residential and commercial usage. The term for residential usage is 70 years, for commercial usage is 40 years and for other usage is 50 years.

Set out below is the audited consolidated financial information of the Target Group, for the period from 9 July 2013 (date of incorporation) to 31 December 2014, extracted from its audited consolidated financial statements.

RMB

Revenue	–
Loss before taxation and extraordinary items	1,412,671
Total assets	423,499,090
Net liabilities	1,412,261

According to the unaudited consolidated management accounts of the Target Group for the year ended 31 December 2015, its unaudited loss before taxation and extraordinary items was approximately RMB22,067,842 and its unaudited consolidated total assets and the net liabilities as at 31 December 2015 were approximately RMB425,439,316 and approximately RMB2,509,787 respectively.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

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.

Following the exclusive negotiations with Maxwell Investment since 2013 and the injection of the ZSCN-A2-1 Land into the Project Company at the end of 2014, the Company entered into the Subscription Agreement with the belief that the Subscription offers 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 Subscription will also enable the Group to set ground for future business cooperation with Singbridge International Singapore Pte Ltd. and its ultimate beneficial owners if opportunities arise which will be beneficial to the business strategy and development of the Group.

The terms of the Subscription Agreement 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 Subscription Agreement 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 Subscription under the Subscription Agreement exceed 5% but are less than 25%, the Subscription constitutes a discloseable transaction of the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	board of Directors
“Business Day”	a day on which banks in Hong Kong, PRC and Singapore are open for normal business (excluding Saturday, Sunday, public holidays in any of Hong Kong, PRC, Singapore or days on which a tropical cyclone signal number 8 or above or black rain storm warning is hoisted at any time between 9:00 a.m. to 12:00 noon and which has not been lowered by 12:00 noon on the same day)
“Company”	China Merchants Land Limited, an exempted company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (Stock Code: 0978)

“Completion”	has the meaning ascribed to it in this Announcement
“Consideration”	has the meaning ascribed to it in this Announcement
“core connected person”	has the meaning ascribed to it in the Listing Rules
“Cosmos Harvest”	Cosmos Harvest Development Limited (盛金發展有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Director”	director of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	independent third party not connected with the Company and its core connected persons
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Maxwell Investment”	MAXWELL INVESTMENT AND DEVELOPMENT PTE LTD., a company incorporated in Singapore with limited liability, and which is controlled by Singbridge International Singapore Pte Ltd., each an Independent Third Party
“Partial Repayment”	has the meaning ascribed to it in this Announcement
“PRC”	The People’s Republic of China which shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Project Company”	天驕(廣州)房地產開發有限公司 (Tianjiao (Guangzhou) Property Development Company Limited*), a wholly foreign owned enterprise established in the PRC on 7 March 2014 with limited liability and wholly-owned by the Target Company, and the registered owner of the land use rights over the ZSCN-A2-1 Land
“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 Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of 660 ordinary shares in the share capital of the Target Company by Cosmos Harvest under the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 8 April 2016 between Cosmos Harvest as the subscriber, Maxwell Investment as the existing shareholder and the Target Company as the issuer
“Target Company”	Poly Field International Investments Limited (輝寶國際投資有限公司), a company incorporated in Hong Kong with limited liability on 9 July 2013 and a wholly-owned subsidiary of Maxwell Investments
“Target Group”	the Target Company, the Project Company and their respective subsidiaries from time to time
“ZSCN-A2-1 Land”	has the meaning ascribed to it in this Announcement
“%”	per cent.

By order of the Board of Directors of
China Merchants Land Limited
Mr. Xu Yongjun
Chairman

Hong Kong, 8 April 2016

As at the date of this announcement, the Board comprises Mr. Xu Yongjun, Mr. Huang Junlong, Mr. Yan Chengda and Ms. Liu Ning as non-executive Directors; Dr. So Shu Fai, Mr. Yu Zhiliang and Mr. Wong King Yuen as executive Directors and Dr. Wong Wing Kuen, Albert, Ms. Chen Yanping, Dr. Shi Xinping and Mr. He Qi as independent non-executive Directors.

* *Unofficial English translation denotes for identification purposes only*