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## **DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES**

The Board announces that on 31 May 2016 the Company entered into a facility agreement with a bank pursuant to which the Company obtained a RMB640,000,000 term loan facility from such bank.

Such facility agreement impose, among other things, covenants relating to the minimum percentage of shareholding of the Company's controlling shareholders in the Company and certain other requirements relating to the Company's controlling shareholders.

This announcement is made by China Merchants Land Limited (the "**Company**") pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

On 31 May 2016, the Company as borrower entered into a facility agreement ("**Facility Agreement**") relating to a RMB640,000,000 term loan facility ("**Loan Facility**") with a bank. Loan Facility has a term of 3 years commencing from the date of first drawdown.

### **Requirements relating to controlling shareholders**

Pursuant to the Facility Agreement, it shall be an event of default if (i) China Merchants Shekou Industrial Zone Holdings Co., Ltd. ("**CMSK**") ceases to beneficially own (directly or indirectly) at least 40% of the issued share capital of the Company, or (ii) the shares of CMSK ceases for any reason to be listed on the Shenzhen Stock Exchange (or its successor) or such listing is suspended for more than 15 consecutive trading days due to non-compliance with the rules of the Shenzhen Stock Exchange (or its successor) or breach of any undertaking given to the Shenzhen Stock Exchange (or its successor), or (iii) China Merchants Group Ltd. ("**CMG**"), a company established in the People's Republic of China ("**PRC**"), ceases to beneficially own (directly or indirectly) at least 40% of the issued share capital of CMSK, or (iv) CMG ceases to be a company under the State-owned Assets Supervision and Administration Commission of the State Council ("**SASAC**") of the PRC or other similarly empowered authority.

The Facility Agreement also contains a cross default provision so that if the Company or any of its subsidiaries commits a default under any other loan agreement(s) to which it is a borrower that entitles any creditor to declare any borrowed monies under such loan agreement(s) due and payable and the amount in aggregate exceeds US\$15,000,000, it will also constitute an event of default under the Facility Agreement.

If an event of default under the Facility Agreement occurs, the bank may declare that its obligations to make the Loan Facility available to the Company be terminated and the advances under the Loan Facility and all interest accrued and all other sums payable under the Facility Agreement become immediately due and payable.

As at the date of this announcement, CMSK indirectly owns 74.35% of the issued share capital of the Company, CMG indirectly owns 71.28% of the issued share capital of CMSK and CMG is owned and controlled by the SASAC.

By Order of the Board  
**China Merchants Land Limited**  
**Xu Yongjun**  
*Chairman*

Hong Kong, 31 May 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.*