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CHINA MERCHANTS LAND ISSUES RMB1.9 BILLION BONDS

China Merchants Land Limited (“China Merchants Land” or “the Company”, stock code: 00978) and its subsidiaries (the “Group”) announced the issuance of bonds with an aggregate amount of RMB1.9 billion to strengthen working capital.

On 12 December 2018, the Group entered into a placing agreement (“Agreement”) with Ping An of China Securities (Hong Kong) Co., Ltd (“Placing Agent”). Pursuant to the Agreement, the Placing Agent has agreed to place bonds with an aggregate principal amount of up to RMB1.9 billion. The bonds bear an interest of 4.6 per cent per annum, payable quarterly. The maturity date will be 18 December 2021. The net proceeds from the bond placing will be used for debt refinancing and strengthening of working capital. The said bond placing also signifies the Company’s broadening of its financing channels and lowering cost of capital to obtain Renminbi-denominated funds outside Hong Kong.

The Group redeemed US\$500 million bonds on 11 December 2018. There is no US dollar-denominated debt in the Company’s debt structure, which enables the Company to completely avert exchange risk.

The Company said, “We are closely monitoring business opportunities arising from the market; and we will use the funds thus raised to implement our strategies, to expand our core business and to explore various business opportunities in order to strive for the best return for the shareholders.”

The Company will not apply for a listing of the bonds on The Stock Exchange of Hong Kong Limited or any stock or securities exchange.

About China Merchants Land Limited

China Merchants Land Limited is a holding company with comprehensive capabilities of property development, operation and management. Its property portfolio spans across Guangzhou, Chongqing, Foshan, Nanjing, Jurong and Xi’an. China Merchants Property Development Co., Ltd. currently owns a 74.35 per cent equity interest in the Company.

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