



China Merchants Land Newly Added RMB 1.4 billion Bank Loan Facility Exhibits Strong Financial Strength and Repayment Capability

29 March 2019 -- China Merchants Land Limited (“China Merchants Land” or “the Company”, stock code: 00978) and its subsidiaries (the “Group”) announced that, in order to optimize the capital structure and support business development, the Group has entered into separate term loan facility agreements with two banks to obtain a total of RMB1,400,000,000 loan facility (the “Loan Facility”).

China Merchants Land stated that the Group's financing capability has been accredited by the banking sector and the investment community. The positive support from banking institutions to provide the new Loan Facility demonstrates the full confidence of the capital market in China Merchants Land's operations and prospects. The Loan Facility will further strengthen the financial flexibility and financial strength of the Group as well as lowering interest cost. The Group will continue to maintain a sound financial position to seize development opportunities.

The Group will continue to adhere to the principle of “continued dedication to innovative development” in developing its business, and on the back of the abundant resources of its controlling shareholder, the Group will fully leverage its competitive edges as the overseas listed platform of China Merchants Shekou, to facilitate diversified business development. As at 31 December 2018, bank balances and cash was approximately RMB6,870 million, up by 34 per cent as compared to 2017. The cash collection was 98 per cent for 2018. The Group's net gearing ratio was 50 per cent. Excluding shareholders' loan, net gearing ratio only accounts for 8 percent. The ability of financing is strong and the development momentum is sufficient. Deposits received in respect of pre-sale of properties amounted to RMB14,886,338,000, up by 105 per cent as compared with that of 2017. The Group's current ratio is 1.67. Excluding deposits received in respect of pre-sales, the current ratio is 2.94. The quick ratio is 0.47. Excluding deposits received in respect of pre-sale, the quick ratio is 0.82. The growth for 2019 is positive with strong and sustainable development resources. The Group's sales target for 2019 has increased to RMB38 billion.

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, Foshan, Nanjing, Chongqing and Xi'an. China Merchants Shekou Industrial Zone Holdings Co., Ltd. indirectly owns a 74.35 per cent equity interest in the Company.

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