



China Merchants Land Obtains A New HK\$800 Million Bank Loan Facility

9 May 2019 – Following an RMB1,400 million bank loan facility obtained earlier, China Merchants Land Limited (“China Merchants Land” or “the Company”, stock code: 00978) and its subsidiaries (the “Group”) announced that it has entered into a facility agreement with a bank, pursuant to which the bank shall make available to the Company an uncommitted revolving loan facility of an amount not exceeding HK\$800,000,000 (the “Loan Facility”) at any one time, in order to optimize the Group’s capital structure continuously and support business development.

The Loan Facility will further increase the Group’s financial flexibility and financial strength, as well as help lower its interest cost. The Group will continue to maintain a sound financial position to seize development opportunities. As at 31 December 2018, the Group’s bank balances and cash was approximately RMB6,870 million, up by 34 per cent as compared to that of 2017. The sales proceeds recovery was 98 per cent for 2018. The Group’s net gearing ratio was 50 per cent. Excluding shareholders’ loan, the net gearing ratio was only 8 per cent. The ability to raise funds is strong, with ample drivers for development. 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 was 1.67. Excluding deposits received in respect of pre-sale of properties, the current ratio was 2.94. The quick ratio was 0.47. Excluding deposits received in respect of pre-sale of properties, the quick ratio was 0.82.

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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