CHINA MERCHANTS LAND LIMITED
招商局置地有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 978)

ANNOUNCEMENT ON PROGRESS OF DISCLOSEABLE AND CONNECTED TRANSACTION AND ANNOUNCEMENT ON MAJOR AND CONNECTED TRANSACTION IN RELATION TO DEEMED DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY

Reference is made to the announcements of the Company dated 29 April 2026 (the "**29 April Announcement**"), 18 June 2026, 10 July 2026 and 31 July 2026 (collectively, the "**Announcements**") in relation to the discloseable and connected transaction relating to deemed disposal of equity interest in a subsidiary. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

As disclosed in the Announcements, Shenzhen Haichengjin is the successful tenderer of the Public Tender in respect of the capital increase in the Project Company. The Board hereby announces that on 26 August 2026, Multi On Investments, Xi'an Mao An, Shenzhen Haichengjin and the Project Company entered into the Capital Increase Agreement, pursuant to which Shenzhen Haichengjin agreed to acquire 30% equity interest in the Project Company by way of contribution for the registered capital and the capital reserve of the Company.

CAPITAL INCREASE AGREEMENT

The principal terms of the Capital Increase Agreement are set out below:

Date: 26 August 2026

Parties:

(a) Multi On Investments, an indirect wholly-owned subsidiary of the Company;

(b) Xi'an Mao On, an indirect wholly-owned subsidiary of the Company;

(c) Shenzhen Haichengjin, a company established in the PRC with limited liability; and

(d) the Project Company, a company established in the PRC with limited liability which is an indirect wholly-owned subsidiary of the Company as at the date of the Capital Increase Agreement.

Capital contribution

Pursuant to the Capital Increase Agreement, Shenzhen Haichengjin shall make a capital contribution in the aggregate amount of RMB277,420,222.72, which consists of (i) RMB174,454,300 to the registered capital of the Project Company; and (ii) RMB102,965,922.72 to the capital reserve of the Project Company, and the capital contribution shall be paid by Shenzhen Haichengjin as follows:

(a) The deposit paid by Shenzhen Haichengjin to CBEX will form part of the capital contribution after the Capital Increase Agreement comes into effect and Shenzhen Haichengjin has paid the remaining capital contribution to the Project Company;

(b) CBEX shall transfer the deposit paid by Shenzhen Haichengjin to the bank account designated by the Project Company within 3 working days following the issuance of capital increase certificate; and

(c) Shenzhen Haichengjin shall pay the remaining capital contribution to the bank account designated by the Project Company in cash in a lump sum within 10 working days after the Capital Increase Agreement comes into effect.

The amount of capital contribution was determined on the basis of normal commercial terms and after arm's length negotiations with reference to the preliminary valuation of the Project Company prepared by an independent valuer, and the proportion of equity interest in the Project Company to be held by Shenzhen Haichengjin after completion of the capital increase in the Project Company by Shenzhen Haichengjin in accordance with the terms and conditions of the Capital Increase Agreement (the "**Capital Increase**").

Shareholding structure

As at the date of this announcement, the registered capital of the Project Company is RMB407,060,000 which is held as to 92.63% by Multi On Investments and 7.37% by Xi'an Mao On (which is a direct wholly-owned subsidiary of Multi On Investments). Upon completion of the Capital Increase, the registered capital of the Project Company will be increased to RMB581,514,300 and will be held by Multi On Investments, Xi'an Mao On and Shenzhen Haichengjin as to 64.84%, 5.16% and 30%, respectively, and the Project Company will remain a subsidiary of the Company.

Completion

The completion of the Capital Increase shall take place on which the business registration with the local Administration for Industry and Commerce concerning the Capital Increase and other relevant closing procedures are completed. Such procedures shall be completed within 30 working days after the Capital Increase Agreement comes into effect.

The Capital Increase Agreement shall come into effect upon the obtaining of the approval by the Independent Shareholders in respect of the Capital Increase Agreement and the transactions contemplated thereunder.

Management of the Project Company

The board of directors of the Project Company shall consist of three directors. Multi On Investments and Xi'an Mao On shall nominate two directors and Shenzhen Haichengjin shall nominate one director. The chairman of the board of directors and the legal representative of the Project Company shall be a director appointed by Multi On Investments and Xi'an Mao On.

Upon completion of the Capital Increase, the general manager, the chief financial officer and the heads of each business line of the Project Company shall be nominated by Multi On Investments and Xi'an Mao On.

INFORMATION OF THE PARTIES

Shenzhen Haichengjin, a company established in the PRC with limited liability, is principally engaged in property development. As at the date of this announcement, Shenzhen Haichengjin is an indirect wholly-owned subsidiary of Nanshan Development, which is a 30%-controlled company of CMG, which is a state-owned conglomerate regulated by the national State-Owned Assets Supervision and Administration Commission of the State Council.

For information of Multi On Investments, Xi'an Mao On and the Project Company, please refer to the sections headed "INFORMATION OF THE PARTIES" and "INFORMATION OF THE PROJECT COMPANY" in the 29 April Announcement.

FINANCIAL EFFECTS OF THE TRANSACTION AND USE OF PROCEEDS FROM THE TRANSACTION

As at the date of this announcement, the Project Company is an indirect wholly-owned subsidiary of the Company. Upon completion of the Capital Increase, the Company will hold, indirectly through Multi On Investments and Xi'an Mao On, 70% equity interest in the Project Company and the Project Company will remain a subsidiary of the Company. Accordingly, as a result of the reduction of the Group's equity interest in the Project Company from 100% to 70% upon completion of the Capital Increase by Shenzhen Haichengjin (the "**Deemed Disposal**"), no expected gain or loss will be accrued to the Company and the financial results of the Project Company (including earnings, assets and liabilities) will continue to be consolidated into and reflected in the financial statements of the Group.

The Board estimates that the net proceeds from the Deemed Disposal, after deduction of the relevant cost and expenses, will amount to approximately RMB277,410,000, which is intended to be used for the development of the Land.

REASONS FOR AND BENEFITS OF THE DEEMED DISPOSAL

The Group is principally engaged in the development, sale, lease, investment and management of properties and assets management.

The Deemed Disposal presents an attractive opportunity for the Group to bring in a high-quality investor at a premium to the pre-investment valuation, thereby enhancing the post-investment valuation of the Project Company, while the Group will retain a 70% equity interest and continue to exercise control over operations and strategic direction, including the right to nominate two-thirds of the directors and senior managements; furthermore, the injection of external funds at a premium strengthens the Project Company's working capital, reduces the Group's future capital contribution requirements, and improves overall financial flexibility by lowering its gearing ratio and optimising capital structure, all of which aligns with the Group's strategic direction of balancing asset-light and asset-heavy operations while delivering tangible value to shareholders through a favourable minority stake divestment. Therefore, the Company considers that the entering into of the Capital Increase Agreement and the transactions contemplated thereunder are in the interest of the Company.

The Directors (excluding all the independent non-executive Directors who will give their opinion based on the recommendations from the independent financial adviser) have confirmed that the terms of the Capital Increase Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better which have been arrived at after arm's length negotiations and in the ordinary and usual course of business of the Group, and in the interests of the Company and its Shareholders as a whole.

As (i) Mr. ZHU Wenkai and Mr. YU Zhiliang, each a non-executive Director, hold senior management positions in CMSK and (ii) Mr. LI Yao, a non-executive Director, and Mr. WONG King Yuen and Ms. CHEN Yan, each an executive Director, hold positions in CMSK's associates, in order to avoid any actual or potential conflict of interest, each of them had abstained from voting at the relevant board meeting on the relevant resolution approving the Capital Increase Agreement and the transactions contemplated thereunder.

LISTING RULES IMPLICATIONS

As the percentage equity interests of Multi On Investments and Xi'an Mao On in the Project Company will be reduced from 100% to 70% upon completion of the Capital Increase, the transactions contemplated under the Capital Increase Agreement constitute a deemed disposal of equity interest in the Project Company under Rule 14.29 of the Listing Rules.

As at the date of this announcement, Shenzhen Haichengjin is an indirect wholly-owned subsidiary of Nanshan Development, which is a 30%-controlled company of CMG, a controlling shareholder of the Company. Accordingly, Shenzhen Haichengjin is an associate of CMG pursuant to Rule 14A.13(3) of the Listing Rules, and therefore a connected person of the Company.

As the highest of all applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Capital Increase is more than 25% but less than 75%, the entering into of the Capital Increase Agreement constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and a connected transaction of the Company under Chapter 14A of the Listing Rules, subject to the reporting, announcement and Independent Shareholders' approval requirements.

GENERAL

An Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders as to whether the Capital Increase Agreement and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and its Shareholders as a whole, and to advise the Independent Shareholders as to how to vote at the EGM.

Veda Capital Limited, a corporation licensed to carry out type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) has been appointed by the Company to provide advice and recommendation to the Independent Board Committee and the Independent Shareholders in this respect.

The EGM will be convened for the purpose of considering and, if thought fit, approving, among other things, the Capital Increase Agreement and the transactions contemplated thereunder.

As at the date of this announcement, Success Well and its associates are interested in approximately 74.35% of the total issued share capital of the Company, and are required to abstain from voting on the relevant resolution approving the Capital Increase Agreement and the transactions contemplated thereunder at the EGM.

Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholders will be required to abstain from voting on the relevant resolution approving the Capital Increase Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among other things, (i) further details of the Cooperation Development Agreement, the Capital Increase Agreement and the transactions contemplated thereunder; (ii) a letter from the Independent Board Committee to the Independent Shareholders containing its recommendation; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders; (iv) a property valuation report; and (v) a notice convening the EGM with the proxy form, will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (ir.cmland.hk) and despatched to the Shareholders upon request. As additional time is required for the Company to prepare the information to be included in the circular, it is expected that the circular will be published and despatched to the Shareholders upon request on or before 30 September 2026.

By order of the Board
China Merchants Land Limited
ZHU Wenkai
Chairman

Hong Kong, 26 August 2026

As at the date of this announcement, the Board comprises Mr. ZHU Wenkai, Mr. YU Zhiliang and Mr. LI Yao as non-executive Directors; Dr. SO Shu Fai, Mr. WONG King Yuen and Ms. CHEN Yan as executive Directors and Dr. WONG Wing Kuen, Albert, Ms. CHEN Yanping, Dr. SHI Xinping and Mr. IP Man Ki Ryan as independent non-executive Directors.