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**五礦地產有限公司**  
**MINMETALS LAND LIMITED**

*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 230)**

**CONNECTED TRANSACTION**

**FURTHER CO-OPERATION AGREEMENT  
IN RELATION TO  
THE GROUP'S PROJECT IN HEBEI PROVINCE, THE PRC**

**BACKGROUND**

Reference is made to the announcement of the Company dated 23 January 2017 in relation to the New Co-operation Agreement on the Second Land Parcel and the Fourth Land Parcel in Xianghe County, Langfang City of Hebei Province, PRC. Terms used in this announcement shall have the same meaning as defined therein unless otherwise defined.

**THE FURTHER CO-OPERATION AGREEMENT**

On 4 April 2018, JV Co A and JV Co B entered into another co-operation agreement, the Further Co-operation Agreement, with the New Co-organiser (i.e. the same co-organiser under the New Co-operation Agreement) whereby the New Co-organiser agreed to organise the relocation and preparation work of the Fifth Land Parcel, with a site area of approximately 46,690 square metres for public auction purpose, and for delivery to the JV Companies at a consideration of approximately RMB945 million (approximately HK\$1,172.93 million), which includes the fees payable to the local government authority in the PRC for the acquisition of the land use rights .

By virtue of the 50:50 shareholding of the Joint Partners in JV Co A and JV Co B, each of the Joint Partners will bear 50% of the consideration payable under the Further Co-operation Agreement.

Together with all the land parcels that have already been delivered to the JV Companies, the aggregate site area of the land parcels acquired and to be acquired and arranged by the New Co-organiser under the New Co-operation Agreement and the Further Co-operation Agreement in relation to the development of the Project will be approximately 424,676 square metres, and the aggregate consideration paid or payable by the JV Companies will be

approximately RMB3,491 million (approximately HK\$4,333.03 million), 50% of which have been or will be borne by each of the JV Partners.

### **THE LISTING RULES IMPLICATIONS**

JV Co B is a connected person of the Company by virtue of its being a non wholly-owned subsidiary of and hence an associate of the JV Partner, which in turn is a substantial shareholder of JV Co A, a non wholly-owned subsidiary of the Company. Accordingly, the Further Transactions constitute connected transactions for the Company under Chapter 14A of the Listing Rules. Since one of the applicable percentage ratios in respect of such aggregate consideration paid or payable by the Group is more than 25% but less than 100%, the Further Transactions are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. However, as JV Co B is a connected person of the Company at the subsidiary level only, and as the independent non-executive Directors have confirmed that the terms of the Further Co-operation Agreement are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole, the Further Co-operation Agreement are only subject to the reporting and announcement requirements, but exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

### **THE FURTHER CO-OPERATION AGREEMENT**

#### **Date**

4 April 2018

#### **Parties**

- (1) the New Co-organiser; and
- (2) JV Co A and JV Co B, as joint partners.

JV Co B is a connected person of the Company by virtue of its being a non wholly-owned subsidiary of and hence an associate of the JV Partner, which in turn is a substantial shareholder of JV Co A, a non wholly-owned subsidiary of the Company.

So far as the Board is aware after making reasonable enquiries, the New Co-organiser, is a company established under the laws of the PRC and designated by the local government of Hebei Province, the PRC to organise the relocation and other preparation work in respect of the Fifth Land Parcel for development pursuant to the Further Co-operation Agreement. So far as the Board is aware after making reasonable enquiries, the New Co-organiser and its ultimate beneficial owner are parties independent of the Company and its connected persons.

#### **Subject matter**

Pursuant to the Further Co-operation Agreement, the New Co-organiser agreed to organise the relocation and preparation work in respect of the Fifth Land Parcel with a site area of approximately 46,690 square metres for public auction purpose, for delivery to the JV

Companies no later than 30 June 2018 at a consideration of approximately RMB945 million (approximately HK\$1,172.93 million) which includes the fees payable to the local government authority in the PRC for the acquisition of the land use rights.

### **Consideration**

Consideration payable in relation to the Fifth Land Parcel under the Further Co-operation Agreement will be paid by the JV Companies in stages with reference to, among other things, the successful bidding of the Fifth Land Parcel in accordance with the terms of the Further Co-operation Agreement.

By virtue of the 50:50 shareholding of the Joint Partners in JV Co A and JV Co B, each of the Joint Partners will bear 50% of the consideration payable under the Further Co-operation Agreement.

The consideration payable under the Further Co-operation Agreement was determined based on arm's length negotiations among the parties and the land prices and the cost of preparing land for re-development in the vicinity of the Fifth Land Parcel. The Company and JV Co A intend to finance its share of such consideration by its internal resources and borrowings.

**The successful completion of the acquisition of the Fifth Land Parcel is subject to, among other things, the successful bidding and the finalisation of various legal documentation and the obtaining of various consents from the relevant government authorities in the PRC as set out in the Further Co-operation Agreement. Accordingly, the JV Companies may or may not be able to obtain the entire or any part of the Fifth Land Parcel for development. Shareholders and potential investors should exercise caution when dealing in the Shares. The Company will comply with applicable requirements under the Listing Rules where required.**

### **REASONS FOR AND BENEFITS OF ENTERING INTO THE FURTHER CO-OPERATION AGREEMENT**

Reference is made to the announcement of the Company dated 23 January 2017 in relation to the Project, and among other things, the acquisition of the Second Land Parcel and the Fourth Land Parcel. The Fifth Land Parcel is located between the Second Land Parcel and the Fourth Land Parcel. As such, the Directors believe that it is in the interest of the Company and the Shareholders as a whole to enter into the Further Co-operation Agreement to obtain new land to expand the development of the Project.

The Directors (including the independent non-executive Directors) consider that the Further Co-operation Agreement, which has been entered into after arm's length negotiations among the parties, are on normal commercial terms, and the terms therein are fair and reasonable and in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the Further Co-operation Agreement nor has any of them abstained from voting in respect of the relevant Board resolution.



“Fifth Land Parcel”	a piece of land situated in Xianghe County, Langfang City of Hebei Province, the PRC with a site area of approximately 46,690 square metres located in between the Second Land Parcel and the Fourth Land Parcel;
“Further Co-operation Agreement”	the agreement dated 4 April 2018 entered into between the JV Companies and the New Co-organiser in relation to the Fifth Land Parcel;
“Further Transactions”	the transactions contemplated under the Further Co-operation Agreement;
“Joint Partners”	the Company and the JV Partner;
“JV Companies”	collectively, JV Co A and JV Co B;
“JV Co A”	廊坊曠世基業房地產開發有限公司 (Langfang Kuangshi Jiye Property Development Co., Ltd.*), a company established under the laws of the PRC with limited liability and a non-wholly owned subsidiary of the Company. The registered capital of JV Co A is owned as to 50% by Hanten Investment Limited (a wholly-owned subsidiary of the Company) and 50% by the JV Partner;
“JV Co B”	廊坊萬恒盛業房地產開發有限公司 (Langfang Wanheng Shengye Property Development Co., Ltd.*), a company established under the laws of the PRC with limited liability and an associated company of the Company. The registered capital of JV Co B is owned as to 50% by Hanten Investment Limited (a wholly-owned subsidiary of the Company) and 50% by the JV Partner;
“JV Partner”	北京萬科企業有限公司 (Beijing Vanke Enterprise Co., Ltd.*), a company established under the laws of the PRC;
“New Co-organiser ”	a company established under the laws of the PRC and designated by the local government of Hebei Province, the PRC to organise the relocation and preparation work in respect of the Fifth Land Parcel for development pursuant to the Further Co-operation Agreement; and
“Project”	the residential property development project known as “Minmetals Vanke City” situated in Xianghe County, Langfang City of Hebei Province, the PRC which is being jointly developed by the JV Companies.

*For the purpose of illustration only and unless otherwise stated, conversion of RMB into Hong Kong dollars in this announcement is calculated at the exchange rate of RMB1.00 = HK\$1.2412. Such conversion should not be construed as a representation that any amount has been, could have been, or may be, exchanged at this or any other rate.*

By order of the Board  
**He Jianbo**  
*Deputy Chairman and Managing Director*

Hong Kong, 4 April 2018

\* *For identification purpose only*