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

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**招商局置地有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 978)**

**MAJOR TRANSACTION  
PROVISION OF GUARANTEE**

**GUARANTEE AGREEMENT**

On 16 December 2019, the Company, as guarantor, entered into the Guarantee Agreement in favour of the Bank, pursuant to which the Company agreed to provide guarantee for the due performance of the repayment obligations of the Borrower, a company owned as to 40% by Sino Land, 30% by K. Wah and 30% by the Company, in respect of the Facilities up to an aggregate principal amount of HK\$5,273,000,000 provided by the Bank.

**LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the provision of the Guarantee exceeds 25% but less than 100%, the entering into of the Guarantee Agreement and the transactions contemplated thereunder constitutes a major transaction for the Company and is subject to the reporting, circular and shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

**WRITTEN APPROVAL**

Pursuant to Rule 14.44 of the Listing Rules, shareholders' approval may be obtained by written Shareholders' approval without the need of convening a general meeting. To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, none of the Shareholders is materially interested in the transactions contemplated under the Guarantee Agreement.

As such, no Shareholder is required to abstain from voting if a general meeting is to be convened to approve the provision of the Guarantee. As at the date of this announcement, Success Well directly holds 3,646,889,329 Shares (representing approximately 74.35% of the total issued Shares). As the Company has obtained the Written Approval from Success Well, no extraordinary general meeting of the Company will be convened for the purpose of approving the entering into of the Guarantee Agreement and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules.

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, further details of the Guarantee and the financial information of the Group shall be despatched to the Shareholders within 15 business days after publication of this announcement.

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## **GUARANTEE AGREEMENT**

The principal terms of the Guarantee Agreement are set out as follows:

Date : 16 December 2019

Parties : (a) the Company; and  
(b) the Bank.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Bank and its ultimate beneficial owner(s) are Independent Third Parties.

- Scope of the Guarantee : all moneys advanced by the Bank under the Facilities and interest thereon, fees and all other moneys which may from time to time be due from or owing or payable by the Borrower to the Bank (the “**Guaranteed Indebtedness**”) and other obligations and undertakings under the Facility Agreement and other finance documents in relation to the Facilities to which the Borrower is a party, provided that the liability of the Company in respect of any part of the Guaranteed Indebtedness shall be several with that of the other joint venture partners, Sino Land and K. Wah, and shall be limited to 30%, being the portion of the Company’s shareholding in the Borrower, of the Guaranteed Indebtedness
- Term of the Guarantee : Until final payment has been made by the Borrower under the Facility Agreement and other finance documents in relation to the Facilities to which the Borrower is a party

## **PARTICULARS OF THE PARTIES**

The Group is engaged in, among others, (i) development, sale, lease, investment and management of properties; (ii) sale of electronics and products related to electrical appliances and sale of construction materials and equipment; and (iii) REIT management business.

The Borrower is a company incorporated in Hong Kong with limited liability and owned as to 40% by Sino Land, 30% by K. Wah and 30% by the Company. It is principally engaged in property development in Hong Kong.

The Bank is a locally incorporated licensed bank and is one of the three note issuing banks in Hong Kong and also the clearing bank for RMB business in Hong Kong.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE GUARANTEE AGREEMENT**

As the liability of the Company in respect of any part of the Guaranteed Indebtedness shall be several with that of the other joint venture partners, Sino Land and K. Wah, and shall be limited to 30% of the Guaranteed Indebtedness, the Guarantee provided by the Company under the Guarantee Agreement is in proportion to its shareholding in the Borrower. The Sino Land and K. Wah have also agreed to provide guarantee for the repayment obligations of the Borrower in favour of the Bank under the same terms and conditions.

The Directors consider that the provision of the Guarantee by the Company under the Guarantee Agreement will enable the Borrower to fund its operations and the development of the land in Hong Kong, which will benefit the Company in the development of its principal business and is in line with its business strategy and overall interest.

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## **WRITTEN APPROVAL**

Pursuant to Rule 14.44 of the Listing Rules, shareholders' approval may be obtained by written Shareholders' approval without the need of convening a general meeting. To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, none of the Shareholders is materially interested in the transactions contemplated under the Guarantee Agreement. As such, no Shareholder is required to abstain from voting if a general meeting is to be convened to approve the provision of the Guarantee. As at the date of this announcement, Success Well directly holds 3,646,889,329 Shares (representing approximately 74.35% of the total issued Shares). As the Company has obtained the Written Approval from Success Well, no extraordinary general meeting of the Company will be convened for the purpose of approving the entering into of the Guarantee Agreement and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules.

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## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“associate(s)”	has the meaning ascribed hereto in the Listing Rules
“Bank”	Bank of China (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and a licensed bank in Hong Kong
“Board”	the board of Directors
“Borrower”	Sky Castle Limited (佳僑有限公司), a joint venture company incorporated in Hong Kong with limited liability and owned as to 40% by Sino Land, 30% by K. Wah and 30% by the Company, respectively
“Company”	China Merchants Land Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 978)
“connected person”	has the meaning ascribed to it in the Listing Rules
“Directors”	the directors of the Company
“Facility Agreement”	the facility agreement dated 6 December 2019 entered into between the Borrower and the Bank in relation to the Facilities
“Facilities”	the term loan facilities for the principal amount of up to HK\$5,273,000,000 provided by the Bank to the Borrower under the Facility Agreement
“Group”	the Company and its subsidiaries
“Guarantee”	the guarantee provided by the Company in favour of the Bank in relation to the Facilities under the Guarantee Agreement

“Guarantee Agreement”	the guarantee agreement dated 16 December 2019 entered into by the Company in favour of the Bank in relation to the Facilities
“Independent Third Party(ies)”	an independent third party not connected with the Company and its subsidiaries, their respective directors, chief executives and substantial shareholders and any of their associates within the meaning of the Listing Rules
“K. Wah”	K. Wah International Holdings Limited (嘉華國際集團有限公司), an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“PRC”	the People’s Republic of China (excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan)
“REIT”	schemes constituted as real estate investment trusts authorised the Securities and Futures Commission of Hong Kong in accordance with Hong Kong Code on Real Estate Investment Trust
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	shareholders of the Company
“Sino Land”	Sino Land Company Limited (信和置業有限公司), a company incorporated in Hong Kong with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“subsidiary”	has the meaning ascribed to it in the Listing Rules
“Success Well”	Success Well Investments Limited, a limited liability company incorporated in the British Virgin Islands and a controlling Shareholder of the Company which directly owns an aggregate of 3,646,889,329 Shares, representing approximately 74.35% of the issued share capital of the Company as at the date of this announcement
“Written Approval”	the written approval of the provision of the Guarantee and the transactions contemplated thereunder by Success Well dated 16 December 2019
“%”	per cent

By order of the Board  
**China Merchants Land Limited**  
**XU Yongjun**  
*Chairman*

Hong Kong, 16 December 2019

*As at the date of this announcement, the Board comprises Mr. XU Yongjun, Mr. HUANG Junlong and Ms. LIU Ning as non-executive Directors; Dr. SO Shu Fai, Mr. YU Zhiliang and Mr. WONG King Yuen as executive Directors and Dr. WONG Wing Kuen, Albert, Ms. CHEN Yanping, Dr. SHI Xinping and Mr. HE Qi as independent non-executive Directors.*