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China Merchants Commercial Real Estate Investment Trust

*(a Hong Kong collective investment scheme authorized under section 104
of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))*
(Stock Code: 01503)

**Managed by
China Merchants Land Asset Management Co., Limited**

ANNOUNCEMENT

**(1) POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING
HELD ON 30 JUNE 2022
AND
(2) COMPLETION OF THE PURCHASE OF 51% OF A COMPANY,
REPRESENTING A 46.41% EFFECTIVE INTEREST IN
A PROPERTY IN BEIJING, PRC**

The Manager is pleased to announce that the EGM Resolutions in relation to the Matters Requiring Approval proposed at the EGM held today (30 June 2022) were duly passed by way of poll.

On 30 June 2022, the Purchaser, the Vendor and the Warrantor entered into a waiver letter, whereby the Purchaser, subject to the REIT Code, the Listing Rules and other applicable laws, rules and regulations, solely for the purpose of the Completion, waived certain Conditions under the Sale and Purchase Deed.

The Manager is pleased to further announce that Completion of the Acquisition of the Target Shares, representing a 46.41% effective interest in the Target Property, being certain units of the development known as Onward Science & Trade Center (招商局航華科貿中心), subsequently took place on 30 June 2022 following the satisfaction or waiver (as applicable) of all the Conditions under the Sale and Purchase Deed.

Reference is made to the circular dated 14 June 2022 (the “**Circular**”) of China Merchants Commercial Real Estate Investment Trust (“**CMC REIT**”) and the EGM Notice attached thereto, and the announcement of CMC REIT dated 13 June 2022 relating to, among other things, the Acquisition. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as ascribed to them in the Circular.

POLL RESULTS OF THE EGM

The Manager is pleased to announce that the EGM Resolutions in relation to the Matters Requiring Approval were duly passed by way of poll at the EGM held today (30 June 2022) and the poll results of the EGM were as follows:

No.	Ordinary Resolutions	Number of votes (%) ^(Note)	
		For	Against
1.	<p>THAT approval (where relevant, shall include approval by way of ratification) be and is hereby given for the Transaction Matters Requiring Approval, being:</p> <p>(a) the Acquisition and the transactions contemplated under the Sale and Purchase Deed (including the Indebtedness to Vendor Group) as more fully described in the Circular and on the terms and conditions set out in the Sale and Purchase Deed; and</p> <p>(b) the execution of the Shareholders' Agreement and the transactions contemplated thereunder as more fully described in the Circular and on the terms and conditions set out in the Shareholders' Agreement,</p> <p>in each case, as more fully set out in the Circular.</p> <p>AND THAT authorisation be granted to the Manager, any director of the Manager, the Purchaser and any authorised signatory of the Purchaser to complete and to do all such acts and things (including executing all such documents as may be required) as the Manager, such director of the Manager, the Purchaser or such authorised signatory of the Purchaser, as the case may be, may consider expedient or necessary or in the interest of CMC REIT to give effect to all matters in relation to the Transaction Matters Requiring Approval generally.</p>	394,686,256 (99.99%)	375 (0.01%)

No.	Ordinary Resolutions	Number of votes (%) ^(Note)	
		For	Against
2.	<p>THAT, conditional upon Ordinary Resolution no. 1 being passed:</p> <p>(a) the Amended and Restated Operations and Property Management Framework Agreement, the Operations and Property Management Transactions under the Amended and Restated Operations and Property Management Framework Agreement and the proposed annual caps applicable thereto for the three years ending 31 December 2022, 2023 and 2024, be and are hereby approved, confirmed and ratified; and</p> <p>(b) the Manager, any Director, the Trustee and any authorised signatory of the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing the Amended and Restated Operations and Property Management Framework Agreement and all such documents as may be required) as the Manager, such Director, the Trustee and/or such authorised signatory of the Trustee, as the case may be, may consider desirable, expedient or necessary or in the interest of CMC REIT to implement or give effect to all matters contemplated and/or authorised in paragraph (a) of this resolution.</p>	<p>394,686,256 (99.99%)</p>	<p>375 (0.01%)</p>

Note:

All percentages are rounded to the nearest two decimal places.

Based on the poll results above, as more than 50% of the votes were cast in favour of each of the EGM Resolutions, the EGM Resolutions were duly passed at the EGM.

As at the date of the EGM, a total of 1,127,819,549 Units was in issue. As disclosed in the Circular, (i) the Warrantor (being a member of the CM Connected Persons Group) has agreed to abstain, and procure that other members of the CM Connected Persons Group abstain, from voting on the EGM Resolutions, and (ii) Mr. Yu Zhiliang, a non-executive Director, holds positions in CMSK and/or its associates and will also abstain from voting on the EGM Resolutions to avoid any actual or potential conflict of interest. Accordingly, the Warrantor and Mr. Yu Zhiliang, in aggregate being interested or deemed to be interested in 400,492,310 Units (representing approximately 35.51% of the total Units in issue as at the date of the EGM), had abstained from voting on the EGM Resolutions proposed at the EGM. Save as disclosed above, so far as the Manager is aware, there were no other Unitholders who were required to abstain from voting, nor were they subject to any voting restrictions at the EGM.

As such, the number of Units entitling Unitholders to vote for or against the EGM Resolutions proposed at the EGM was 727,327,239 Units, representing approximately 64.49% of the total Units in issue as at the date of the EGM.

Tricor Investor Services Limited, the unit registrar of CMC REIT, was appointed as the scrutineer and scrutinised the poll at the EGM.

All directors of the Manager attended the EGM in person or by electronic means.

WAIVER OF CERTAIN CONDITIONS

On 30 June 2022, the Purchaser, the Vendor and the Warrantor entered into a waiver letter, whereby the Purchaser, subject to the REIT Code, the Listing Rules and other applicable laws, rules and regulations, solely for the purpose of the Completion, waived the following Conditions:

- (i) the Vendor 2021 Offshore Facility (which is one of the Existing Vendor Facilities) having been fully repaid;
- (ii) the Offshore Permitted Encumbrances having been terminated, released and discharged at no cost to the Purchaser and no additional cost to the Target Group other than the repayment of the loans and/or the facilities secured by the Offshore Permitted Encumbrances, provided that the Vendor and the Target Company shall use, and shall cause the relevant member of the Target Group to use their respective best efforts to complete the termination, release and discharge of the Offshore Permitted Encumbrances as soon as reasonably practicable after Completion; and
- (iii) all Encumbrance Discharge Filings having been submitted to the relevant PRC government authorities at no cost to the Purchaser and no additional cost to the Target Group other than the repayment of the loans and/or the facilities secured by the Onshore Permitted Encumbrances, provided that the Vendor and the Target Company shall use, and shall cause the relevant member of the Target Group to use their respective best efforts to submit the Encumbrance Discharge Filings as soon as reasonably practicable after Completion.

COMPLETION OF THE ACQUISITION

The Manager is pleased to further announce that Completion subsequently took place on 30 June 2022 pursuant to the terms of the Sale and Purchase Deed, following the satisfaction or waiver (as applicable) of all the Conditions under the Sale and Purchase Deed (for further details of the waived Conditions, please refer to the previous section headed “Waiver of certain Conditions”). Accordingly, CMC REIT now, through the Purchaser and the Target Group, owns a 46.41% effective interest in the Target Property.

At Completion, an HKD amount equivalent to the Initial Payment of RMB1,339,037,262 (being approximately HKD1,637,765,731), being an amount equal to (i) the Initial Consideration; minus (ii) the Bulletin 7 Withholding Amount, has been drawn down from the New Facility.

As disclosed in the Circular, pursuant to the Sale and Purchase Deed, the Consideration shall be paid in the following manner: (i) on the Deferred Payment Date (being the fifth (5th) Business Day following the fulfilment of all of the conditions subsequent under the definitive agreements of the Acquisition Loan or such other date as may be agreed by the Parties), the Purchaser shall pay to the Vendor the Initial Payment; and (ii) within ten Business Days after agreement or determination of the Completion Statement, the Purchaser shall make the Final Payment. For the avoidance of doubt, the timing of the payment of the Initial Payment shall not affect the Completion.

GENERAL

The Manager shall publish further announcement(s) in relation to the Acquisition in accordance with all applicable requirements of the REIT Code as and when appropriate, including as soon as practicable following the payment by the Purchaser to the Vendor of the Initial Payment on the Deferred Payment Date and following the determination and payment of the amount of the Final Payment.

For the purpose of this announcement, unless otherwise indicated, the conversion of RMB into HKD is calculated at the approximate exchange rate of HKD0.8176 to RMB1.00 as at 31 December 2021. The exchange rate is for illustrative purposes only and does not constitute representation that any amounts have been, could have been, or may be exchanged at the rates or any other rate at all.

By order of the board of directors of
China Merchants Land Asset Management Co., Limited
(as manager of China Merchants Commercial Real Estate Investment Trust)
Huang Junlong
Chairman of the Manager

Hong Kong, 30 June 2022

As at the date of this announcement, the directors of the Manager are Mr. Huang Junlong (Chairman and non-executive director); Mr. Guo Jin (executive director); Mr. Yu Zhiliang and Ms. Liu Ning (non-executive directors); and Mr. Lin Hua, Mr. Lin Chen and Ms. Wong Yuan Chin, Tzena (independent non-executive directors).