

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



華潤置地有限公司

China Resources Land Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1109)

**CONNECTED TRANSACTION
ACQUISITION OF EQUITY INTERESTS IN A TARGET COMPANY**

The Board is pleased to announce that on 23 May 2025, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Equity Transfer Agreement with the Vendor and the Target Company for the sale and purchase of the Target Equity, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Target Equity, representing 100% of the entire registered capital of the Target Company, for the Consideration of RMB200,791,265.57 (equivalent to approximately HK\$218,251,375.62) and the applicable interests, subject to the terms and conditions as set out in the Equity Transfer Agreement.

As at the date of this announcement, the Purchaser is an indirect wholly-owned subsidiary of the Company. As CRI is interested in approximately 59.55% of the total issued share capital of the Company and is a controlling shareholder of the Company, CRI is a connected person of the Company. The Vendor is an indirect wholly-owned subsidiary of CRI and is therefore an associate of CRI and a connected person of the Company. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As more than one of the applicable percentage ratios in respect of the Acquisition exceed 0.1% but are all less than 5%, the Acquisition is subject to the reporting and announcement requirements only but exempt from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Board is pleased to announce that on 23 May 2025, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Equity Transfer Agreement with the Vendor and the Target Company for the sale and purchase of the Target Equity pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Target Equity, representing 100% of the entire registered capital of the Target Company, for the Consideration of RMB200,791,265.57 (equivalent to approximately HK\$218,251,375.62) and the applicable interests subject to the terms and conditions as set out in the Equity Transfer Agreement.

THE ACQUISITION

Principal terms of the Equity Transfer Agreement are summarised as follows:

- Date:** 23 May 2025
- Parties:**
- (1) the Purchaser,
 - (2) the Vendor, and
 - (3) the Target Company

Subject matter

Pursuant to the Equity Transfer Agreement, the Vendor conditionally agrees to sell, and the Purchaser conditionally agrees to purchase, the Target Equity, representing 100% of the entire registered capital of RMB720,000,000 of the Target Company, which was fully paid up as at the date of signing of the Equity Transfer Agreement.

As at the date of this announcement, the Target Company is the owner of the land use rights of the Land Parcels and the property constructed on the Land Parcels. Properties constructed on Land Parcel 2 are subject to a mortgage in favour of a bank as security for credit facilities to the Target Company in the maximum amount of RMB1,200,000,000.

Consideration

The consideration for the Acquisition is RMB200,791,265.57 (equivalent to approximately HK\$218,251,375.62) (the “**Consideration**”) and the applicable interests which will be payable by the Purchaser as follows:

- (a) 30% of the Consideration (i.e. RMB60,237,379.67) shall be paid in cash within 5 Working Days from the effective date of the Equity Transfer Agreement (the “**First Payment**”); and
- (b) 70% of the Consideration (i.e. RMB140,553,885.90) shall be paid in cash together with the interest for the period from the date of First Payment to the date when the payment for the Consideration have been made in full (calculated at the one-year quoted market lending rate (i.e. one-year LPR) as announced by the People’s Bank of China, with daily interest rate = annual interest rate/360) on the date of the expiration of one year from the date of the First Payment (the “**Second Payment**”).

The Second Payment under the Equity Transfer Agreement will be guaranteed irrevocably by CRL, an indirect wholly-owned subsidiary of the Company and an intermediate holding company of the Purchaser pursuant to the Guarantee Letter.

The outstanding shareholder's loan payable by the Target Company to the Vendor is approximately RMB185,719,727.46 (equivalent to approximately HK\$201,869,268.98) as at 31 December 2024 (the "**Shareholder's Loan**"). The interest of the Shareholder's Loan for the period from 1 January 2025 to the date of signing the Equity Transfer Agreement (calculated at a book interest rate of 2.76% per annum) shall be paid by the Target Company to the Vendor within 10 business days from the date of the Equity Transfer Agreement.

With effect from the day following the date of the Equity Transfer Agreement, the Purchaser shall become the creditor of the Shareholder's Loan. Separately, the Purchaser shall assume the Vendor's obligation to repay CRI of an equal amount at an interest rate of 2.8% per annum by 31 December 2027.

The Consideration was determined after arm's length negotiation between the Purchaser and the Vendor with reference to, among other things, (1) the appraised value of the Target Equity; (2) the Shareholder's Loan and the subsequent investment and the contribution made by the Vendor; and (3) the market condition as a whole.

According to the valuation of the Target Company conducted by Beijing Zhongqihua Asset Appraisal Company Limited* (北京中企華資產評估有限責任公司) (the "**Independent Valuer**"), an independent qualified valuer engaged by the Company, as at the valuation benchmark date (i.e. 31 July 2024), the value of the Target Equity as appraised by the Independent Valuer using the asset-based approach on the premise that the Target Company will continue as a going concern is RMB200,791,265.57 (equivalent to approximately HK\$218,251,375.62).

In this connection, the Board (including the independent non-executive Directors) considers that the terms of the Equity Transfer Agreement and the Acquisition are fair and reasonable and the entering into of the Equity Transfer Agreement and the Acquisition are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

Conditions precedent

Completion is subject to the satisfaction or waiver of certain conditions precedent, including but not limited to:

- (a) all transaction documents have been signed and the Purchaser and the Vendor have completed the relevant procedures of internal approvals, including but not limited to approval by their respective board of directors, shareholders and the CRH. in accordance with their respective articles of association and the requirements of the applicable laws, in signing the aforesaid documents;
- (b) the entering into and the performance of the Equity Transfer Agreement will not result in any breach of the applicable laws or any other agreements entered into by the Target Company or the Vendor;

- (c) the Purchaser has completed due diligence on the Target Company and obtained the corresponding due diligence report;
- (d) the Vendor and the Target Company have entered into a debt settlement confirmation, completed the relevant procedures for internal approvals and duly fulfilled all obligations as provided under the debt settlement confirmation; and
- (e) other conditions precedent agreed under the Equity Transfer Agreement.

Completion

Subject to the satisfaction or waiver of the conditions precedent (as applicable), the Vendor and the Purchaser shall process the registration process in relation to the relevant change in the ownership of the equity interest in the Target Company and execute a completion confirmation within 30 day after the satisfaction or waiver (as applicable) of all conditions precedent agreed under the Equity Transfer Agreement. The execution of the completion confirmation shall be considered as a confirmation of Completion.

As at the date of this announcement, the Target Company is owned as to 100% by the Vendor. Upon the completion of the Acquisition, the Target Company will become an indirect wholly-owned subsidiary of the Company.

INFORMATION ABOUT THE PARTIES

The Purchaser and CRL

The Company is incorporated in the Cayman Islands with limited liability and its shares are listed on the main board of the Stock Exchange. As at the date of this announcement, approximately 59.55% of the shares issued by the Company are indirectly held by CRI which in turn is ultimately owned by CRCL, a state-owned enterprise in the PRC under the supervision of the SASAC. The Group is principally engaged in development and sales of developed properties, property investments and management, hotel operations and the provision of construction, decoration and other property development related services in the PRC.

The Purchaser, an indirect wholly-owned subsidiary of the Company, is a company incorporated in the PRC with limited liability and is principally engaged in business management and consulting, business management, and market research.

CRL, a company incorporated in the PRC with limited liability, is an indirect wholly-owned subsidiary of the Company and is principally engaged in the business of investment holding.

The Vendor

The Vendor is a company incorporated in the PRC with limited liability. As at the date of this announcement, the Vendor is owned indirectly as to 100% by CRI which in turn is ultimately owned by the CRCL, a state-owned enterprise in the PRC under the supervision of the SASAC. The Vendor is principally engaged in the business of internet information services, biotechnology promotion services, natural science and medical research and development, software development, property rental.

The Target Company

The Target Company is a company incorporated in the PRC with limited liability. As at the date of this announcement, the Target Company is owned as to 100% by the Vendor and is principally engaged in biotechnology promotion services, natural science and medical research and development, sale of medical equipment, asset management and property rental and management.

Set out below are certain audited financial information of the Target Company (prepared in accordance with the generally accepted accounting principles of the PRC) for the year ended 31 December 2023 and the year ended 31 December 2024 respectively:

	For the year ended 31 December 2023	For the year ended 31 December 2024
	<i>Approximately RMB'000</i>	<i>Approximately RMB'000</i>
Profit/(Loss) before tax	(168,303.76)	(33,553.24)
Profit/(Loss) after tax	(133,924.05)	(67,932.95)

As at 31 December 2024, the audited net book value of the Target Company was approximately RMB182,107,680.45.

The original acquisition cost of the Target Equity to the Vendor was RMB808,585,100.00.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Land is situated in the heart of the Daxing Biomedical Industry Base in Beijing, a prime industrial agglomeration area. This base is a flagship project initiated by the Beijing Municipal Government to rejuvenate the modern bio-industry sector. Given its strategic industrial location, the project on this Land holds significant potential to become a model project within the industry. The development of this project will not only enhance the Company's industrial layout but also align seamlessly with its strategic positioning as a "3+1" urban investment and development operator. This alignment underscores the Company's commitment to advancing its strategic goals and contributing to the revitalization of the bio-industry.

The Board (including the independent non-executive Directors) considers that the terms of the Equity Transfer Agreement and the Acquisition are fair and reasonable and the entering into of the Equity Transfer Agreement and the Acquisition are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

At the Board meeting held on 17 February 2025 to approve, among other things, the Acquisition, none of the Directors has any material interest in the Acquisition or has abstained from voting on the resolution in respect of the Acquisition.

IMPLICATION UNDER THE LISTING RULES

As at the date of this announcement, the Purchaser is an indirect wholly-owned subsidiary of the Company. As CRI is interested in approximately 59.55% of the total issued share capital of the Company and is a controlling shareholder of the Company, CRI is a connected person of the Company. The Vendor is an indirect wholly-owned subsidiary of CRI and is therefore a connected person of the Company. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As more than one of the applicable percentage ratios in respect of the Acquisition exceed 0.1% but are all less than 5%, the Acquisition is subject to the reporting and announcement requirements only but exempt from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Target Equity
“Board”	the board of Directors of the Company
“Company”	China Resources Land Limited, a company incorporated in the Cayman Islands with limited liability whose issued shares are listed on the main board of the Stock Exchange (stock code: 1109)
“Completion”	completion of the sale and purchase of the Target Equity in accordance with the Equity Transfer Agreement
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	has the meaning ascribed to it under the section headed “The Acquisition — Consideration”
“CRCL”	China Resources Company Limited* (中國華潤有限公司), a company incorporated in the PRC with limited liability, a state-owned enterprise under the supervision of SASAC and an ultimate holding company of the Company

“CRH”	China Resources (Holdings) Company Limited, a company incorporated in Hong Kong with limited liability and an intermediate holding company of the Company
“CRI”	China Resources Inc.* (華潤股份有限公司), a company incorporated in the PRC with limited liability and an intermediate holding company of CRH
“CRL”	China Resources Land Holdings Company Limited (華潤置地控股有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Director(s)”	the directors of the Company
“Equity Transfer Agreement”	the equity transfer agreement dated 23 May 2025 entered into between the Purchaser, the Vendor and the Target Company in relation to the sale and purchase of the Target Equity
“First Payment”	has the meaning ascribed to it under the section headed “The Acquisition — Consideration”
“Group”	the Company and its subsidiaries
“Guarantee Letter”	the guarantee letter dated 23 May 2025 issued by CRL to the Vendor in relation to the payment obligation of the Second Payment by the Purchaser under the Equity Transfer Agreement
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Valuer”	has the meaning ascribed to it under the section headed “The Acquisition — Consideration”
“Interests”	has the meaning ascribed to it under the section headed “The Acquisition — Consideration”
“Land Parcel 1”	the land parcel which is located in Daxing Biomedical Industry Base, Zongguancun Science Park, Beijing, the PRC, which forms part of the land parcel with land parcel no. 0012075
“Land Parcel 2”	the land parcel which is located in Daxing Biomedical Industry Base, Zongguancun Science Park, Beijing, the PRC, with land parcel no. 0000142
“Land Parcels”	Land Parcel 1 and Land Parcel 2, collectively

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	the parties to the Equity Transfer Agreement, i.e., the Purchaser, the Vendor and the Target Company
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Purchaser”	Beijing Runzhi Commercial Operation Management Co., Ltd* (北京潤置商業運營管理有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“SASAC”	the State-owned Assets Supervision and Administration Commission of the State Council of the PRC
“Second Payment”	has the meaning ascribed to it under the section headed “The Acquisition — Consideration”
“Shareholders”	persons whose names appear on the register of members as registered holders of the Shares
“Shareholder’s Loan”	has the meaning ascribed to it under the section headed “The Acquisition — Consideration”
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	China Resources Life Science Industry Development Co., Ltd* (華潤生命科學產業發展有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of CRI
“Target Equity”	100% equity of the registered capital of the Target Company, which was fully paid up and owned by the Vendor as at the date of signing of the Equity Transfer Agreement

“Vendor”	China Resources Life Science Group Limited* (華潤生命科學集團有限公司), a company incorporated in the PRC with limited liability. It holds 100% of the equity interests in the Target Company as at the date of this announcement
“Working Day(s)”	any day other than Saturdays, Sundays and statutory holidays in the PRC on which banks in the PRC and Hong Kong are both open for business, unless otherwise agreed in the Equity Transfer Agreement

By Order of the Board
China Resources Land Limited
LI Xin
Chairman

PRC, 23 May 2025

As at the date of this announcement, the executive Directors of the Company are Mr. Li Xin, Mr. Xu Rong, Mr. Zhang Dawei, Mr. Guo Shiqing and Mr. Chen Wei; the non-executive Directors of the Company are Mr. Huang Ting and Mr. Wei Chenglin; and the independent non-executive Directors of the Company are Mr. Zhong Wei, Mr. Sun Zhe, Mr. Frank Chan Fan, Mr. Leong Kwok-ken, Lincoln and Ms. Qin Hong.

For the purpose of illustration only and unless otherwise stated, conversion of RMB into HK\$ in this announcement is based on the exchange rate of RMB0.92 to HK\$1.00. 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.

* For identification purpose only