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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Minmetals Land Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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五礦建設有限公司*

MINMETALS LAND LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 230)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF 2012 TO 2014

**Independent financial adviser to the Independent Board Committee
and the Independent Shareholders**



A letter from the Board is set out on pages 4 to 10 of this circular.

A letter from the Independent Board Committee is set out on pages 11 to 12 of this circular.

A letter from Investec containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 13 to 23 of this circular.

A notice convening the SGM to be held at Garden Rooms, 2/F., The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Tuesday, 29 May 2012 at 11:15 a.m. or at the conclusion of the annual general meeting of the Company to be held on the same day at 10:30 a.m. is set out on pages 30 to 31 of this circular. A form of proxy for use at the SGM is enclosed. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

* For identification purpose only

26 April 2012

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DEFINITIONS

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

“2009 Circular”	the circular dated 19 October 2009 issued by the Company in respect of, among others, the 2009 Transactions;
“2009 Transactions”	the continuing connected transactions entered into between the Group and Newglory in connection with the engagement of Newglory as a supplier of Construction Materials (subject to successful tender) in respect of the Group’s real estate development projects and specialised construction projects for the three financial years ended 31 December 2011;
“2012 Agreement”	the conditional agreement dated 2 April 2012 between the Company and Newglory in relation to the engagement of Newglory as a supplier of Construction Materials (subject to successful tender) in respect of the Group’s real estate development projects and specialised construction projects for the three financial years ending 31 December 2014;
“associate(s)”	has the same meaning as ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“China Minmetals”	China Minmetals Corporation (中國五礦集團公司), a State-owned enterprise in the PRC, which owns 100% equity interest in Minmetals HK which in turn owns the entire equity interest in June Glory, the immediate controlling shareholder of the Company;
“Company”	Minmetals Land Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange;
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules;
“Construction Materials”	the major construction materials and components in respect of property and construction projects, including but not limited to roofing systems and curtain wall systems, insulating materials, glass products, aluminium profiles, steel frames, and such other construction materials as appropriate, and including on-site fabrication if so required;
“Continuing Connected Transactions”	the continuing connected transactions between the Group and Newglory under the 2012 Agreement;
“controlling shareholder(s)”	has the same meaning as ascribed to it under the Listing Rules;

DEFINITIONS

“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	an independent committee of the Board comprising all of the independent non-executive Directors, which has been formed by the Board to advise the Independent Shareholders in respect of the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps);
“Independent Shareholders”	Shareholder(s) other than June Glory and its associates, and any Shareholder who has a material interest in the Continuing Connected Transactions;
“Investec” or “Independent Financial Adviser”	Investec Capital Asia Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps), a licensed corporation under the SFO permitted to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities;
“June Glory”	June Glory International Limited, a company incorporated in the British Virgin Islands with limited liability, and a wholly-owned subsidiary of Minmetals HK, and the immediate controlling shareholder of the Company holding approximately 62% of the issued share capital of the Company as at the Latest Practicable Date;
“Latest Practicable Date”	23 April 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time);
“Minmetals HK”	China Minmetals H.K. (Holdings) Limited, a company incorporated in Hong Kong with limited liability, the intermediate controlling shareholder of the Company;
“Newglory”	Newglory International Limited (新榮國際商貿有限責任公司), an enterprise established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of China Minmetals;

DEFINITIONS

“PRC”	the People’s Republic of China, and for the purpose of this circular, shall exclude Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan;
“Proposed Annual Cap(s)”	the proposed annual caps for the Continuing Connected Transactions for the three financial years ending 31 December 2014 as listed in the sub-section headed “The Continuing Connected Transactions” in the section headed “Letter from the Board” contained in this circular;
“SFO”	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“SGM”	the special general meeting of the Company convened to be held at Garden Rooms, 2/F., The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Tuesday, 29 May 2012 at 11:15 a.m. or at the conclusion of the annual general meeting of the Company to be held on the same day at 10:30 a.m. for the Independent Shareholders to consider and, if thought fit, to approve the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps);
“Shares”	the share(s) of par value of HK\$0.1 each in the issued share capital of the Company;
“Shareholder(s)”	holders of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the same meaning as ascribed to it under the Listing Rules;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“RMB”	Renminbi, the lawful currency of the PRC;
“sq.m.”	square metres; and
“%”	percentage.

For the purpose of illustration only, conversion of RMB into Hong Kong dollars in this circular is based on the exchange rate of RMB1.00 to HK\$1.2335. 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.

LETTER FROM THE BOARD



五礦建設有限公司*
MINMETALS LAND LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 230)

Non-executive Directors:

Mr. Sun Xiaomin, *Chairman*
Mr. Pan Zhongyi
Mr. Tian Jingqi
Mr. Liu Zeping

Registered office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Executive Directors:

Mr. Qian Wenchao, *Deputy Chairman*
Mr. He Jianbo, *Managing Director*
Mr. Yin Liang, *Senior Deputy
Managing Director*
Ms. He Xiaoli, *Deputy Managing Director*
Mr. Yang Lu, *Deputy Managing Director*

*Principal place of business
in Hong Kong:*

18th Floor
China Minmetals Tower
79 Chatham Road South
Tsimshatsui
Kowloon
Hong Kong

Independent Non-executive Directors:

Mr. Lam Chun, Daniel
Mr. Selwyn Mar
Ms. Tam Wai Chu, Maria

26 April 2012

To the Shareholders

Dear Sir or Madam,

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
IN RESPECT OF 2012 TO 2014**

BACKGROUND OF THE CONTINUING CONNECTED TRANSACTIONS

On 28 September 2009, the Company entered into a conditional material supply contract with Newglory whereby the Group has engaged Newglory, subject to successful tender, as a supplier for the supply of Construction Materials in respect of the Group's existing and future real estate development projects and specialised construction projects,

* *For identification purpose only*

LETTER FROM THE BOARD

details of which are set out in the 2009 Circular. The agreement in respect of the 2009 Transactions for the period from 28 September 2009 to 31 December 2009 and the two years ended 31 December 2011 has expired.

As the Company wishes to continue to invite Newglory to place tenders for and, subject to successful tender, to appoint Newglory as a supplier for the supply of Construction Materials in respect of the Group's existing and future real estate development projects and specialised construction projects, the Company has entered into the 2012 Agreement with Newglory which is conditional upon the approval of the Independent Shareholders at the SGM in respect of the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

Since Newglory is an indirect wholly-owned subsidiary of China Minmetals and a fellow subsidiary of June Glory, the controlling shareholder of the Company, Newglory is a connected person of the Company under the Listing Rules.

As certain applicable percentage ratios calculated with reference to the Proposed Annual Caps for the financial years ending 31 December 2012, 2013 and 2014 exceed 5%, the Continuing Connected Transactions constitute continuing connected transactions for the Company under Rule 14A.35 of the Listing Rules and are subject to the reporting and announcement requirements and also the approval of the Independent Shareholders in the SGM. June Glory (which held and controlled the voting rights of approximately 62% of the issued share capital of the Company as at the Latest Practicable Date) and its associates will abstain from voting in the SGM.

The purpose of this circular is to (i) provide the Shareholders with further information regarding the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps); (ii) set out the recommendation of the Independent Board Committee to the Independent Shareholders and the advice of Investec to the Independent Board Committee and the Independent Shareholders in respect of the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps); and (iii) give the Shareholders the notice of the SGM and other information as required under the Listing Rules.

THE CONTINUING CONNECTED TRANSACTIONS

Pursuant to Rule 14A.35 of the Listing Rules, the term of the 2012 Agreement shall not exceed three years, and therefore the 2012 Agreement entered into between the Company and Newglory in respect of the Continuing Connected Transactions is proposed to expire on 31 December 2014. The 2012 Agreement is conditional upon obtaining of the approval of the Independent Shareholders at the SGM in respect of the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

LETTER FROM THE BOARD

The 2012 Agreement

- Date : 2 April 2012
- Parties : (i) Principal: the Company
(ii) Supplier: Newglory
- Subject matter : The Group may from time to time invite Newglory to tender for material supply contract(s) and, subject to successful tender, appoint Newglory as a supplier with respect to the supply of Construction Materials regarding the Group's existing and future real estate development projects and specialised construction projects.
- Term of the agreement : From 2 April 2012 up to and including 31 December 2014
- Proposed Annual Caps : For each of the periods from 2 April 2012 to 31 December 2012, from 1 January 2013 to 31 December 2013 and from 1 January 2014 to 31 December 2014, the annual maximum amount of material supply contract(s) to be awarded by the Group to Newglory shall not exceed the Proposed Annual Caps.
- Condition precedent : The 2012 Agreement will not come into effect until such time as the Continuing Connected Transactions have been approved by the Independent Shareholders in the SGM.

No Director has a material interest in the Continuing Connected Transactions nor is required to abstain from voting on the board resolution approving the Continuing Connected Transactions.

The Proposed Annual Caps

The annual maximum amount of material supply contract(s) to be awarded by the Group to Newglory	From 2 April 2012 to 31 December 2012	Financial year ending 31 December 2013	Financial year ending 31 December 2014
Proposed Annual Cap	RMB182.4 million (approximately HK\$225.0 million)	RMB210.0 million (approximately HK\$259.0 million)	RMB240.0 million (approximately HK\$296.0 million)

LETTER FROM THE BOARD

BASIS FOR DETERMINING THE PROPOSED ANNUAL CAPS

For the period from 28 September 2009 to 31 December 2009 and the two years ended 31 December 2011, the Group has engaged Newglory as a supplier for the Construction Materials used in the specialised construction projects of the Group. At present, the Group envisages that Newglory is likely to continue to be engaged as a supplier for the supply of Construction Materials used in the specialised construction projects of the Group.

As disclosed in the 2009 Circular, the historical annual caps of the 2009 Transactions for the period from 28 September 2009 to 31 December 2009 and the two years ended 31 December 2011 were RMB80.5 million (approximately HK\$99.3 million), RMB120.0 million (approximately HK\$148.0 million) and RMB150.0 million (approximately HK\$185.0 million), respectively.

For the period from 28 September 2009 to 31 December 2009 and the two years ended 31 December 2011, the Group's material supply contracts awarded to Newglory, predominately related to specialised construction projects, amounted to approximately RMB50.9 million (approximately HK\$62.8 million), RMB61.9 million (approximately HK\$76.4 million) and RMB144.7 million (approximately HK\$178.5 million), respectively.

The Proposed Annual Caps set by the Group for the period from 2 April 2012 to 31 December 2012 is made by reference to the estimated amount of Construction Materials that would be purchased by the Group during the said period with respect to certain anticipated curtain wall construction and/or roofing construction contracts. In anticipation of an annual growth rate of approximately 15% of the Group's revenue from its curtain wall operations for the years 2013 and 2014, the Group proposes to apply an annual growth rate of 15% on the annual cap amount for the Continuing Connected Transactions for the financial years ending 31 December 2013 and 2014, and set the Proposed Annual Caps at RMB210.0 million (approximately HK\$259.0 million) and RMB240.0 million (approximately HK\$296.0 million) respectively for the financial years ending 31 December 2013 and 2014.

Shareholders should note that the Proposed Annual Caps represent the best estimates by the Group based on the information currently available. The Proposed Annual Caps have no direct relationship to, nor should be taken to have any direct bearing on, the Group's financial or potential financial performance. The Group may or may not appoint Newglory as a supplier in the future, or if appointed, to award contract sums up to the level of the respective Proposed Annual Caps.

FURTHER INFORMATION ON THE APPOINTMENT BY THE GROUP OF NEWGLORY AS A SUPPLIER

Newglory shall only be engaged as a supplier to the Group upon its successful tender for material supply contract(s) initiated by the Group through competitive tendering procedures. The competitive tendering procedures for awarding material supply contract shall be conducted in accordance with the applicable and prevailing government regulations, laws and measures at the locations where the subject construction projects are to be undertaken.

LETTER FROM THE BOARD

In the event that Newglory participates in the tendering for a material supply contract initiated by the Group and there are no applicable rules and regulations requiring the Group to set up an independent tender evaluation committee or equivalent body to evaluate and recommend the successful tenderer, the Group would be directly involved in the tender evaluation part of the tender process. In such case, the Group shall evaluate the tenders using the lowest bid method, that is, to award the tender to the qualified tenderer with the lowest tender sum.

The contract sum will be payable in cash with respect to the construction material purchased by the Group upon receipt of the relevant mutually agreed invoice from Newglory.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

The Group is principally engaged in the business of real estate development, specialised construction, property investment and securities investment. As specialised construction and real estate development are the core businesses of the Group, the Group expects in the coming years that it will actively invite tenders for material supply contracts relating to its curtain wall and real estate development operations. Given the credentials and relevant track record of Newglory in the construction material trading business and based on the working relationship with Newglory since 2009, Newglory is considered by the Group as a suitable candidate and capable of tendering for material supply contracts in respect of the Group's real estate development projects and curtain wall construction projects. The main purpose of the Continuing Connected Transactions therefore is to avoid undue delay in the progress of relevant projects which will otherwise have to seek the approval of Independent Shareholders in a special general meeting on each specific instance.

The Directors (including all independent non-executive Directors after taking into account the advice of the Independent Financial Adviser) are of the view that the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) are fair and reasonable and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, on normal commercial terms and are in the interests of the Group and the Shareholders as a whole.

INFORMATION ON NEWGLORY

Newglory is classified as an "Enterprise Grade II" (二級企業) in the PRC and is wholly owned by China Minmetals through its wholly-owned subsidiary, Minmetals HK. Since Newglory is an indirect wholly-owned subsidiary of China Minmetals and a fellow subsidiary of June Glory, the controlling shareholder of the Company, Newglory is a connected person of the Company under the Listing Rules.

Established in 2004 in Beijing, the PRC, as a wholly foreign owned enterprise, Newglory is the operating company of Minmetals HK principally engaged in agency, trading and trading-related businesses in the PRC with respect to industries including, inter alia, steel construction structures and roofing systems, environmental protection, and oil

LETTER FROM THE BOARD

and gas transportation. According to Newglory, it and its associated companies have involved in the supply of roofing and curtain wall components for a number of prominent construction projects in the PRC, including the National Indoor Stadium (國家體育館).

LISTING RULES IMPLICATION

Since Newglory is an indirect wholly-owned subsidiary of China Minmetals and a fellow subsidiary of June Glory, the controlling shareholder of the Company, Newglory is a connected person of the Company under the Listing Rules.

As certain applicable percentage ratios calculated with reference to the Proposed Annual Caps for the financial years ending 31 December 2012, 2013 and 2014 exceed 5%, the Continuing Connected Transactions constitute continuing connected transactions for the Company under Rule 14A.35 of the Listing Rules and are subject to the reporting and announcement requirements and also the approval of the Independent Shareholders in the SGM. June Glory (which held and controlled the voting rights of approximately 62% of the issued share capital of the Company as at the Latest Practicable Date) and its associates will abstain from voting in the SGM.

SGM

A notice of the SGM to be held at Garden Rooms, 2/F., The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Tuesday, 29 May 2012 at 11:15 a.m. or at the conclusion of the annual general meeting of the Company to be held on the same day at 10:30 a.m. is set out on pages 30 to 31 of this circular. At the SGM, an ordinary resolution will be proposed and, if thought fit, passed to approve the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps). In view of the connection between Newglory and June Glory, June Glory and its associates are required to abstain from voting on the resolution approving the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) at the SGM in accordance with Rule 14A.18 of the Listing Rules. As at the Latest Practicable Date, June Glory and its associates held and controlled the voting rights of 2,069,505,506 Shares (representing approximately 62% of the issued share capital of the Company). To the best of the Directors' knowledge and belief and having made all reasonable enquiries, as at the Latest Practicable Date, save for June Glory, no other Shareholder was required to abstain from voting on the resolution for approving the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) at the SGM.

A form of proxy for use at the SGM is attached. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules, the vote of the Independent Shareholders at the SGM will be taken by poll and the announcement on the results of which will be published on the websites of the Company and of the Stock Exchange following the SGM.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee which is set out on pages 11 to 12 of this circular containing the recommendation of the Independent Board Committee to the Independent Shareholders regarding the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps); and (ii) the letter from Investec which is set out on pages 13 to 23 of this circular containing its advice to the Independent Board Committee and the Independent Shareholders in relation to the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

The Directors (including all independent non-executive Directors after taking into account the advice of the Independent Financial Adviser) are of the view that the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) are fair and reasonable and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, on normal commercial terms and are in the interests of the Group and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the ordinary resolution at the SGM in respect of the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

ADDITIONAL INFORMATION

Your attention is also drawn to the general information set out in the Appendix to this circular.

Yours faithfully,
For and on behalf of the Board of
Minmetals Land Limited
He Jianbo
Managing Director



五礦建設有限公司*
MINMETALS LAND LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 230)

26 April 2012

To the Independent Shareholders

Dear Sir or Madam,

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
IN RESPECT OF 2012 TO 2014**

We refer to the circular dated 26 April 2012 of the Company (“Circular”) of which this letter forms part. Terms defined in the Circular bear the same meanings herein unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to consider and to advise the Independent Shareholders whether the terms of the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) are fair and reasonable and whether the transactions contemplated thereunder are in the interests of the Group and the Shareholders as a whole, taking into account the recommendations of the Independent Financial Adviser appointed to advise us and the Independent Shareholders in respect of the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

Investec has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in the abovementioned context.

Your attention is drawn to the “Letter from the Board” and the “Letter from Investec” in the Circular, which contain, inter alia, information about the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps), and the advice from Investec in respect of the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

Having taking into account the reasons for and benefits of the Continuing Connected Transactions, the principal factors and reasons considered by Investec in arriving at its opinion regarding the Continuing Connected Transactions as set out in the “Letter from Investec” on pages 13 to 23 of the Circular, we consider that the entering into of the 2012

* *For identification purpose only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Agreement and the Continuing Connected Transactions are in the usual and ordinary course of business of the Group and that the terms of the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole. Accordingly, we recommend that the Independent Shareholders vote in favour of the ordinary resolution as set out in the notice of the SGM convened to be held on Tuesday, 29 May 2012 and thereby approve the 2012 Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

Yours faithfully,
For and on behalf of
Independent Board Committee

Lam Chun, Daniel
Independent
Non-executive Director

Selwyn Mar
Independent
Non-executive Director

Tam Wai Chu, Maria
Independent
Non-executive Director

LETTER FROM INVESTEC

Set out below is the text of the letter of advice from Investec to the Independent Board Committee and the Independent Shareholders prepared for inclusion in this Circular.



Investec Capital Asia Limited
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Tel/電話：(852) 3187 5000
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26 April 2012

To the Independent Board Committee and the Independent Shareholders

Dear Sirs,

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

I. INTRODUCTION

We refer to our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in connection with 2012 Agreement, details of which are set out in the “Letter from the Board” contained in the circular dated 26 April 2012 issued by the Company to the Shareholders (the “Circular”), of which this letter forms part. Unless otherwise stated, terms defined in the Circular have the same meanings in this letter.

For the period from 28 September 2009 to 31 December 2011, the Group has engaged Newglory as a supplier for the Construction Materials used in real estate development projects and specialised construction projects of the Group, subject to successful tender. The agreement in respect of the 2009 Transactions has expired.

As the Group envisages that Newglory is likely to continue to be engaged as a supplier for Construction Materials, thus the Company (as purchaser) and Newglory (as supplier) has entered into the 2012 Agreement on 2 April 2012, pursuant to which the Group may from time to time, for a term of not more than three financial years ending 31 December 2014, engage Newglory as a supplier for the supply of Construction Materials in respect of the Group’s existing and future real estate development projects and specialised construction projects, subject to successful tender.

Since Newglory is an indirect wholly-owned subsidiary of China Minmetals and a fellow subsidiary of June Glory, the controlling shareholder of the Company, Newglory is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the 2012 Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

LETTER FROM INVESTEC

As set out in the “Letter from the Board”, certain applicable percentage ratios calculated with reference to the Proposed Annual Caps for the financial years ending 31 December 2012, 2013 and 2014 exceed 5%, the Continuing Connected Transactions constitute continuing connected transactions for the Company under Rule 14A.35 of the Listing Rules and are subject to the reporting and announcement requirements and also the approval of the Independent Shareholders in the SGM. June Glory (which held and controlled the voting rights of approximately 62% of the issued share capital of the Company as at the Latest Practicable Date) and its associates will abstain from voting in the SGM.

II. THE INDEPENDENT BOARD COMMITTEE

The Board currently consists of twelve Directors, namely Mr. Sun Xiaomin as the Chairman and a non-executive Director, Mr. Qian Wenchao, Mr. He Jianbo, Mr. Yin Liang, Ms. He Xiaoli and Mr. Yang Lu as executive Directors; Mr. Pan Zhongyi, Mr. Tian Jingqi and Mr. Liu Zeping as non-executive Directors and Mr. Lam Chun, Daniel, Mr. Selwyn Mar and Ms. Tam Wai Chu, Maria as independent non-executive Directors.

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Lam Chun, Daniel, Mr. Selwyn Mar and Ms. Tam Wai Chu, Maria, has been established to advise the Independent Shareholders, and Investec has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders as to (i) whether the 2012 Agreement (including the Proposed Annual Caps) are in the interests of the Group and the Shareholders as a whole; and (ii) whether the terms of the 2012 Agreement and the respective transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned.

Apart from the normal advisory fee payable to us in connection with our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders, no arrangement exists whereby we shall receive any other fees or benefits from the Company.

III. BASIS OF OUR OPINION

In formulating our opinion, which is specifically related to the terms of the 2012 Agreement, we have relied on the information and representations contained or referred to in the Circular and the information and representations provided to us by the Company and/or its management staff (the “Management”) and/or the Directors. We have assumed that all information and representations contained or referred to in the Circular and all information and representations which have been provided by the Company and/or the Management and/or the Directors, for which they are solely and wholly responsible, were true, accurate and complete at the time when they were made and continue to be so at the date hereof.

We have no reason to believe that any information or representation relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the information provided and the representations made to us untrue, inaccurate or misleading.

LETTER FROM INVESTEC

The Directors have confirmed that, having made all reasonable enquiries, to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts or representations the omission of which would make any statement in the Circular, including this letter, misleading. We consider that we have reviewed sufficient information to enable us to form a reasonable basis for our opinion. We have not, however, conducted any independent verification of the information provided, nor have we carried out any form of in-depth investigation into the business and affairs of the Company, Minmetals Condo (Shanghai) Construction Co., Ltd, Newglory, China Minmetals, June Glory and their respective subsidiaries or the prospects of the markets in which they respectively operate.

IV. PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion on the terms of the Continuing Connected Transactions, we have taken into consideration the following principal factors:

1. Background of the Group and its specialised construction business

The Group is principally engaged in the business of real estate development, specialised construction, property investment and securities investment. Its real estate development business covers the Pearl River Delta, Yangtze River Delta and the Pan Bohai Rim regions while the specialised construction business has coverage in fifteen provinces and cities in the country.

Set out below is a summary of the operating results of the Group for the two years ended 31 December 2011, extracted from the results announcement of the Group for the year ended 31 December 2011 (the “2011 Results Announcement”):

	For the year ended	
	31 December	
	2011	2010
	HK\$'000	HK\$'000
	(audited)	(audited)
Revenue		
— Real estate development	4,684,280	1,182,170
— Specialised construction	592,176	427,617
— Property investment	<u>52,823</u>	<u>49,024</u>
Total Group revenue	<u>5,329,279</u>	<u>1,658,811</u>
Profit for the year	<u>771,782</u>	<u>608,762</u>
Attributable to		
— Equity holders of the Company	610,424	526,913
— Non-controlling interests	<u>161,358</u>	<u>81,849</u>

LETTER FROM INVESTEC

Specialised construction business of the Group

The principal activities of the specialised construction business of the Group are the design, installation and selling of curtain walls and aluminium windows, doors and other materials through two wholly-owned subsidiaries, namely Minmetals Condo (Shanghai) Construction Co., Ltd (“Condo Shanghai”), formerly known as Shanghai Jin Qiao Condo Decorations Engineering Co., Ltd (“SJQ”), for the PRC market and Minmetals Condo (Hong Kong) Engineering Company Limited for Hong Kong and Macau markets.

In 2008, the Ministry of Construction of the PRC accredited SJQ (subsequently renamed to Condo Shanghai) with the qualifications of Building Curtain Wall Project Contractor Class I (建築幕牆工程專業承包一級資質), Building and Decorating Project Contractor Class III (建築裝修裝飾工程專業承包三級資質) and Metal Doors and Windows Engineering Contractor Class III (金屬門窗工程專業承包三級資質).

Total revenue generated from external customers by the specialised construction segment for the financial year ended 31 December 2011 amounted to approximately HK\$592.2 million, an increase of approximately HK\$164.6 million from prior year, representing a year-on-year increase of approximately 38.5%. As set out in the 2011 Results Announcement, such increase was a result of record value of contracts and projects completed in the PRC and Hong Kong during the financial year ended 31 December 2011. However, the results of the specialised construction segment, net of intra-group transactions, recorded a segmental loss of approximately HK\$76.6 million in 2011, as compared to a segmental profit of approximately HK\$26.4 million in 2010.

The Management advised that the consolidated specialised construction segment results does not reflect the profitability of projects undertaken (on a standalone basis) as (i) most of the expenses incurred are external and have been included in the segment results; and (ii) a significant portion of the revenue, being approximately HK\$113.8 million for the year ended 31 December 2011, were derived from intra-group transactions. Such revenue has been eliminated upon consolidation as required under the relevant accounting standards. The Management confirmed that on a standalone basis, rather than a consolidated basis, the aggregate financial performance of the projects for the financial year ended 31 December 2011 would be profitable.

In addition, the Management considers the specialised construction business to be an integral part of the Group’s core business and enhances the competitiveness of the Group as a property developer.

Industry Overview

Curtain walls, a building facade system that hangs on the structure of a building to protect its occupants from natural discomforts, is typically non-load bearing and is generally made of aluminium, glass, granite and other cladding

LETTER FROM INVESTEC

materials. Such are used for commercial buildings, public or functional buildings, hotels and residential buildings. We understand from the Management that curtain walls are commonly adopted because it is relatively easy to construct with a light weight nature, strong performance and reduced construction period and cost.

One of the drivers of the curtain walls industry is the market condition of the construction and real estate industry. The amount invested into the construction and real estate sector, in particular, the construction of commercial buildings, residential buildings and other public facilities will affect the demand for curtain wall systems and influence the size of the curtain walls market. The real estate sector, in turn, is affected by, among others, the economy in general and the policies of the central and local governments.

As per data published by the National Bureau of Statistics of China, the gross domestic product of the PRC recorded a year-on-year growth of approximately 10.3% and 9.2% in 2010 and 2011, respectively. In relation to real estate sector specific statistics, we noted that (i) the development and investments in the real estate sector across the PRC totalled to approximately RMB6,174 billion in 2011, representing an increase of approximately 27.9%, from approximately RMB4,827 billion in 2010; and (ii) the total floor space under construction in the PRC amounted to approximately 5.1 billion sq.m. in 2011 compared to approximately 4.1 billion sq.m. in 2010, representing an increase of approximately 24.4%.

We also noted that promotion of urbanisation remains one of the main objectives of the PRC government under its twelfth five year plan* (十二五規劃), which sets out the overall direction of PRC governmental policies from 2011 to 2015. Pursuant to the twelfth five year plan, the PRC government has set the target for the urbanisation rate by 2015 at 51.5%, an increase from approximately 47.5% recorded at the beginning of the twelfth five year plan, if attained, the demand for residential properties will increase.

The Group also recorded notable year-on-year increase in both revenue and net profit results for the financial year ended 31 December 2011 due to the recognition of significant development profits from projects presold in prior years and delivered in 2011 and complimented by the satisfactory contribution from investment property income.

However, as set out in the 2011 Results Announcement, the PRC government has continued its efforts to stall the increasing property prices in the PRC through a string of property market control policies, including but not limited to, restricting property developers' access to bank credits, high borrowing costs, introduction of price limits in new residential property sales and added administrative procedures discouraging land bank accumulation. Furthermore,

we also noted that the People's Bank Of China* (中國人民銀行) has raised interest rates and banks' reserve ratio numerous times in 2011 with a view to counter domestic inflation.

The Management is aware of the challenges in the PRC real estate sector and will closely monitor the relevant policy developments. Notwithstanding from the above, as set out in the 2011 Results Announcement, the Group views such period of industry consolidation with cautious optimism and, with the financial resources at the Group's disposal, the opportunities for further site acquisition and expansion will be prudently evaluated and considered.

2. Information on Newglory

Newglory was established in 2004 as a wholly foreign owned enterprise. It is wholly owned by China Minmetals through its wholly-owned subsidiary, Minmetals HK. Newglory is principally engaged in agency, trading and trading-related businesses in the PRC with respect to industries including, inter alia, steel construction structures and roofing systems, environmental protection, and oil and gas transportation. It is classified as an "Enterprise Grade II" (二級企業) in the PRC.

According to Newglory, it and its associated companies have been involved in the supply of roofing and curtain wall components for a number of prominent construction projects in the PRC, including but not limited to, the National Indoor Stadium (國家體育館).

3. The 2012 Agreement

3.1 Terms of the 2012 Agreement

Summary of the terms of the 2012 Agreement was set out in the "Letter from the Board" in this Circular.

Newglory shall only be engaged as a supplier to the Group upon its successful tender for material supply contract(s) initiated by the Group through competitive tendering procedures. The competitive tendering procedures for awarding material supply contract shall be conducted in accordance with the applicable and prevailing government regulations, laws and measures at the locations where the subject construction projects are to be undertaken.

In the event that Newglory participates in the tendering for a material supply contract initiated by the Group and there are no applicable rules and regulations requiring the Group to set up an independent tender evaluation committee or equivalent body to evaluate and recommend the successful tenderer, the Group would be directly involved in the tender evaluation part of the tender process (the "Evaluation Procedures"). In such case, the Group shall evaluate the tenders using the lowest bid method, that is, to award the tender to the qualified tenderer with the lowest tender sum.

LETTER FROM INVESTEC

We have reviewed the Evaluation Procedures provided by the Company and a summary of which is appended below:

- (a) the project department and the sales department may recommend certain appropriate suppliers to provide samples of the relevant materials to the materials procurement department;
- (b) the materials procurement department will short-list two to three qualified suppliers and invite them to submit their quotation on the Construction Materials. The criteria for selection is mainly based on the capability to satisfy project requirements, reputation, quality and price; and
- (c) the decision of award is vested with the tender committee which comprises the general manager, vice general manager, finance director, representatives from operational units and the technical department of Condo Shanghai.

In relation to the Evaluation Procedures, the Company has provided a schedule setting out information on historical tenders for certain Construction Materials contracts, including the description of the Construction Material under tender, the respective names of the invited tenderers (being three tenderers under each tender reviewed) and their respective tender prices. We noted from the aforesaid schedule that on each occasion, the respective Construction Material supplier contracts were awarded to the tenderer with the lowest bid price.

In addition, the Company has confirmed that there has been no material breach or deviation from the Evaluation Procedures (where applicable) since its adoption up to and including the Latest Practicable Date.

3.2 Basis for determining the Proposed Annual Caps

Historical annual caps for the 2009 Transactions

As disclosed in the 2009 Circular, the historical annual caps of the 2009 Transactions for the period from 28 September 2009 to 31 December 2009 and the two years ended 31 December 2011 were RMB80.5 million (approximately HK\$99.3 million), RMB120.0 million (approximately HK\$148.0 million) and RMB150.0 million (approximately HK\$185.0 million), respectively (the “Historical Annual Caps”).

As set out in the “Letter from the Board”, for the period from 28 September 2009 to 31 December 2009 and the two years ended 31 December 2011, the Group’s material supply contracts awarded to Newglory, predominately related to specialised construction projects, amounted to approximately RMB50.9 million (approximately HK\$62.8 million), RMB61.9 million (approximately HK\$76.4 million) and RMB144.7 million (approximately HK\$178.5 million), respectively.

LETTER FROM INVESTEC

We have discussed with the Management and noted that the notable under-utilisation of the Historical Annual Caps was due to, (i) the Historical Annual Caps represented the Group's estimated value of contracts available for Newglory to tender for, however, Newglory was not awarded with the contracts in all occasions where a tender was submitted; and (ii) the Historical Annual Caps were made with reference to development plans and progress of each of the projects of the Group at that time, however certain development plans, progress and/or size of projects have subsequently been amended which affected the value of construction contracts available for tender during the period from 28 September 2009 to 31 December 2009 and the two years ended 31 December 2011.

The table below sets forth the Proposed Annual Caps for the period from 2 April 2012 to 31 December 2012 and each of the two financial years ending 31 December 2014.

Proposed Annual Caps

For the period from 2 April 2012 to 31 December 2012	Years ending 31 December	
	2013	2014
RMB182.4 million (approximately HK\$225.0 million)	RMB210.0 million (approximately HK\$259.0 million)	RMB240.0 million (approximately HK\$296.0 million)

LETTER FROM INVESTEC

As set out in the “Letter from the Board”, the Proposed Annual Caps are set by making reference to:

- (i) Annual cap for the period from 2 April 2012 to 31 December 2012 (the “2012 Annual Cap”)

The Proposed Annual Cap set by the Group for the period from 2 April 2012 to 31 December 2012 is made by reference to the estimated amount of Construction Materials that would be purchased by the Group during the aforesaid period with respect to existing material supplies contracts as well as certain anticipated material supplies contracts in respect of the Group’s real estate development projects and specialised construction projects (the “Contracts”).

In this aspect, we have reviewed and discussed with the Management on a schedule of the Contracts (which are either under negotiation with the prospective supplier or to be tendered for by the suppliers) prepared by the Management and noted that the total contract sum amounted to approximately RMB182.4 million (approximately HK\$225.0 million) for the period from 2 April 2012 to 31 December 2012 is equivalent to the 2012 Annual Cap.

- (ii) Annual caps for the two years ending 31 December 2014 (the “2013 Annual Cap and 2014 Annual Cap”)

The Management anticipates an annual growth rate of approximately 15% to the Group’s revenue derived from its curtain wall operations, which primarily relates to the Group’s specialised construction operating segment, for each of the financial years ending 31 December 2013 and 2014 respectively. Accordingly, the Company proposes to apply an annual growth rate of 15% on the annual cap amount for the Continuing Connected Transactions for the financial years ending 31 December 2013 and 2014, and set the Proposed Annual Caps at RMB210.0 million (approximately HK\$259.0 million) and RMB240.0 million (approximately HK\$296.0 million) for the financial years ending 31 December 2013 and 2014, respectively.

In assessing the reasonableness of the annual growth rate applied by the Management to the 2013 Annual Cap and 2014 Annual Cap, we have considered the recent historic growth in gross domestic product of the PRC and the notable growth in the development and investments in the real estate sector across the PRC, details of which are set out in the paragraph headed “Industry Overview” above.

In addition, we also noted from the annual report of the Group for the year ended 31 December 2010 and the 2011 Results Announcement, in respect of the specialised construction segment, the Group derived approximately HK\$469.2 million, HK\$427.6 million and HK\$592.2

million (excluding intra-group transactions) for the three financial years ended 31 December 2009, 2010 and 2011, respectively. Such represents a year-on-year growth rate of approximately -8.9% and 38.5%, respectively, and an average growth rate of approximately 14.8%, which is in line with the 15% annual growth rate applied by the Management.

Notwithstanding from the above, Shareholders should note that the Proposed Annual Caps represent the best estimates by the Group based on the information available at the time. Furthermore, the Group may or may not appoint Newglory as a supplier in the future, or if appointed, to award contract sums up to the level of the respective Proposed Annual Caps.

4. Reasons for and benefits of the Continuing Connected Transactions

As set out in the paragraph headed “1. Background of the Group and its specialised construction business” above, real estate development, specialised construction, property investment and securities investment are the principal activities of the Group. The Group expects in the coming years that it will actively invite tenders for material supply contracts relating to its curtain wall and real estate development business.

Given the credentials and relevant track record of Newglory in the construction material trading business and based on the working relationship with Newglory since 2009, Newglory is considered by the Group as a suitable candidate and capable of tendering for material supply contracts in respect of the Group’s real estate development projects and curtain wall construction projects. The main purpose of the Continuing Connected Transactions therefore is to avoid undue delay in the progress of relevant projects since without the Continuing Connected Transactions the Company would have to seek the approval of Independent Shareholders in a special general meeting on each specific instance.

5. Our View

Given (i) the appointment of Newglory as a supplier for the supply of Construction Materials in respect of the Group’s existing and future property and construction projects, including specialised construction projects (subject to successful tender), being a furtherance of the Group’s core businesses; (ii) the Group’s established satisfactory working relationship with Newglory on its specialised construction projects; (iii) the credentials and track record of Newglory as set out under paragraph headed “2. Information on Newglory” above; and (iv) the basis for calculating the Proposed Annual Caps as set out under paragraph headed “3.2 Basis for determining the Proposed Annual Caps”, we consider that the entering into of the 2012 Agreement is in the ordinary and usual course of business of the Group and the terms of the 2012 Agreement (including the Proposed Annual Caps) are on normal commercial terms and in the interests of the Group and the Shareholders as a whole.

LETTER FROM INVESTEC

V. RECOMMENDATION

Having considered the above principal factors, namely (i) the background to and reasons for and the terms of the 2012 Agreement; and (ii) the basis of the Proposed Annual Caps, we are of the opinion that the terms of the 2012 Agreement (including the Proposed Annual Caps) are on normal commercial terms, in the ordinary and usual course of business and fair and reasonable so far as the Independent Shareholders are concerned. We also consider that the Continuing Connected Transactions are in the interests of the Group and the Shareholders as a whole. Therefore, we would advise the Independent Board Committee and the Independent Shareholders that the Independent Shareholders to vote in favour for the ordinary resolution to approve the 2012 Agreement at the SGM.

Yours faithfully
For and on behalf of
Investec Capital Asia Limited
Jimmy Chung
Executive Director

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests and short position of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of the SFO), which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, or as recorded in the register kept by the Company pursuant to section 352 of the SFO, were as follows:

Long Position in Shares

Name of Director	Nature of interests	Number of Shares held	Percentage of total issued Shares
Mr. Qian Wenchao	Personal	442,000	0.013%
Mr. He Jianbo	Personal	612,000	0.018%
Mr. Yin Liang	Personal	408,000	0.012%
Ms. He Xiaoli	Personal	370,000	0.011%
Mr. Yang Lu	Personal	204,000	0.006%

Interests in underlying Shares*Interests in share options of the Company*

As at the Latest Practicable Date, the following Directors had interests in the share options granted by the Company under the share option scheme of the Company adopted on 29 May 2003:

Name of Director	Date of grant	Vesting period (both days inclusive)	Exercisable Period (both days inclusive)	Exercise price per Share (HK\$)	Number of share options outstanding
Mr. Qian Wenchao	1.12.2008	1.12.2008 to 30.11.2010	1.12.2010 to 30.11.2018	0.45	1,031,333
Mr. He Jianbo	1.12.2008	1.12.2008 to 30.11.2010	1.12.2010 to 30.11.2018	0.45	1,428,000
Mr. Yin Liang	1.12.2008	1.12.2008 to 30.11.2010	1.12.2010 to 30.11.2018	0.45	952,000
Ms. He Xiaoli	1.12.2008	1.12.2008 to 30.11.2010	1.12.2010 to 30.11.2018	0.45	793,333
Mr. Yang Lu	1.12.2008	1.12.2008 to 30.11.2010	1.12.2010 to 30.11.2018	0.45	476,000

Note: These share options are exercisable in three tranches: the maximum percentage of share options of each tranche exercisable within the periods commencing from 1 December 2010 to 30 November 2018, from 1 December 2011 to 30 November 2018 and from 1 December 2012 to 30 November 2018 are 30%, 30% and 40% respectively.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company hold any interest or short position in the Shares, underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange.

Save as disclosed in this circular, so far as was known to the Directors, none of the Directors is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, the following persons (other than Directors and chief executive of the Company) had interests or short positions in Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such capital:

Name of Shareholder	Interest in Shares	Approximate percentage of total issued Shares
China Minmetals	2,069,505,506 <i>(Note 1)</i>	62.0%
Minmetals HK	2,069,505,506 <i>(Note 1)</i>	62.0%
June Glory	2,069,505,506 <i>(Note 1)</i>	62.0%
Mr. Osbert Lyman	170,139,862 <i>(Note 2)</i>	5.1%
Strategic Power International Limited	170,139,862 <i>(Note 2)</i>	5.1%

Notes:

- The interests disclosed herein are held by June Glory, a wholly-owned subsidiary of Minmetals HK, and Minmetals HK is wholly owned by China Minmetals.
- Strategic Power International Limited is owned as to 70% by Mr. Osbert Lyman. In view that Strategic Power International Limited had direct and indirect interests in 19,290,000 Shares and 150,849,862 Shares respectively, each of Strategic Power International Limited and Mr. Osbert Lyman was deemed as interested in an aggregate of 170,139,862 Shares.

Save as disclosed above, as at the Latest Practicable Date, the Company has not been notified by any persons (other than Directors or chief executives of the Company) who had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such capital.

4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter into, a service contract with any member of the Group which is not terminable by the Group within one year without payment of compensation, other than statutory compensation.

5. COMPETING BUSINESS

Mr. He Jianbo, the Managing Director of the Company, is also a director of Minmetals (Yingkou) Industrial Park Development Co., Ltd. (“Yingkou Industrial Park”, a wholly-owned subsidiary of China Minmetals), Minmetals Real Estate Co., Ltd. (“Minmetals Real Estate”, a wholly-owned subsidiary of China Minmetals) and Ershisanye Construction Group Co., Ltd. (“Ershisanye”, a non wholly-owned subsidiary of China Minmetals).

Mr. Pan Zhongyi, a non-executive Director of the Company, is also a director and the general manager of Yingkou Industrial Park, and a director of Minmetals Real Estate and Ershisanye.

Mr. Tian Jingqi, a non-executive Director of the Company, is also a director and the general manager of Minmetals Real Estate, and a director of Yingkou Industrial Park and Ershisanye.

Mr. Liu Zeping, a non-executive Director of the Company, is also a director and the president of Ershisanye, and a director of Yingkou Industrial Park and Minmetals Real Estate.

Yingkou Industrial Park is an enterprise established under the laws of the PRC which is engaged in the development of Minmetals (Yingkou) Industrial Park. Minmetals Real Estate is an enterprise established under the laws of the PRC which is engaged in real estate development and operation, construction, property management, real estate agency, real estate advertising and exhibition and other real estate related business. Ershisanye is an enterprise established under the laws of the PRC which is engaged in construction engineering, mining development and operations, real estate and related industries business.

In case the Board decides that there are any issues of conflict between the Group and the aforementioned companies, conflicting Directors will abstain from voting on the relevant resolutions.

Save as disclosed above, at the Latest Practicable Date, none of the Directors or their respective associates had any competing interests in a business which competes or is likely to compete with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder).

6. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2011 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

There is no contract or arrangement subsisting at the Latest Practicable Date in which any of the Directors is materially interested and which is significant in relation to the business of the Group, except that Mr. Tsui Ki Ting, who is a director of a subsidiary of the Company, 龍建(南京)置業有限公司 (Dragon Construction (Nanjing) Property Co., Ltd.) (“DCNP”), was interested in the shareholders’ agreement in respect of Oriental Dragon Construction Limited (“ODCL”) (the immediate holding company of DCNP) dated 11 April 2006 entered into amongst Karman Industries Limited (“KIL”), Stillpower Limited (both being indirect wholly-owned subsidiaries of the Company), World Ocean Development Limited (“WODL”) and ODCL in respect of the transfer of a 29% equity interest in ODCL from KIL to WODL at a total consideration of HK\$2,900 and the major terms in respect of the management and operations of ODCL which is the joint venture company of the Laguna Bay Project. As at the Latest Practicable Date, Mr. Tsui Ki Ting had an equity interest of 26.67% in WODL which in turns owned 29% equity interest in ODCL, and the remaining 71% equity interest in ODCL was owned indirectly by the Company.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2011, the date to which the latest published audited financial statements of the Company were made up.

8. EXPERT

- (a) Investec is a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO.
- (b) Investec has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter, reports and references to its name in the form and context in which they are included. The letter and recommendations therein given by Investec are given as of the date of this circular for incorporation herein.
- (c) As at the Latest Practicable Date, Investec did not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

- (d) As at the Latest Practicable Date, Investec did not have any interest, directly or indirectly, in any asset which had since 31 December 2011, being the date to which the latest published audited financial statements of the Company were made up, been acquired or disposed of by, or leased to, any member of the Group, or was proposed to be acquired or disposed of by, or leased to, any member of the Group.

9. MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at 18th Floor, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong, during normal business hours on any weekday (except public holidays), from the date of this circular up to the date of the SGM:

- (a) the 2012 Agreement;
- (b) the letter from the Independent Board Committee, the text of which is set out in the section headed “Letter from the Independent Board Committee” of this circular;
- (c) the letter from Investec, the text of which is set out in the section headed “Letter from Investec” of this circular; and
- (d) the written consent referred to in paragraph 8 in this appendix.

NOTICE OF SGM



五礦建設有限公司*
MINMETALS LAND LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 230)

NOTICE IS HEREBY GIVEN that a special general meeting of the shareholders of Minmetals Land Limited (the “Company”) will be held at Garden Rooms, 2/F., The Royal Garden, 69 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Tuesday, 29 May 2012 at 11:15 a.m. or at the conclusion of the annual general meeting of the Company to be held on the same day at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (a) the conditional agreement dated 2 April 2012 between the Company and Newglory International Limited (新榮國際商貿有限責任公司) (“Newglory”) in relation to the engagement of Newglory as a supplier for the supply of construction materials (subject to successful tender) in respect of the existing and future real estate development projects and specialised construction projects of the Company and its subsidiaries for the three financial years ending 31 December 2014 (the “Agreement”) and the transactions contemplated thereunder including the proposed annual caps for the three years ending 31 December 2014 (details of which are described in the circular of the Company dated 26 April 2012 and a copy of which has been produced to this meeting marked “A” and signed by the Chairman of this meeting for the purpose of identification) be and are hereby approved, confirmed and ratified; and
- (b) any one of the directors of the Company be and is hereby authorised to do all such further acts and things and execute such further documents and take all steps which in his/her opinion may be necessary, desirable or expedient to implement and/or give effect to the Agreement and the transactions contemplated thereunder.”

By Order of the Board
Minmetals Land Limited
He Jianbo
Managing Director

Hong Kong, 26 April 2012

* *For identification purpose only*

NOTICE OF SGM

Notes:

1. A member entitled to attend and vote at the abovementioned meeting is entitled to appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting or any adjournment thereof should they so wish.
3. The register of members of the Company will be closed from Friday, 25 May 2012 to Tuesday, 29 May 2012, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending the above mentioned meeting, all share certificates with completed transfer forms must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 24 May 2012.
4. The votes at the above mentioned meeting will be taken by poll.