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## **五礦建設有限公司\*** **MINMETALS LAND LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 230)**

### **CONNECTED TRANSACTION**

Construction contract in respect of the supply and installation  
of aluminium doors and windows  
for certain part of a real estate development project of the Group  
in Changsha City, Hunan Province, the PRC

The Company announces that on 26 April 2010, SJQ, a wholly-owned subsidiary of the Company, and Jiahe Risheng, a 51% owned subsidiary of the Company, entered into the Construction Contract in respect of the supply and installation of aluminium doors and windows for certain part of Part II of Phase I of LOHAS International Community for a contract sum of RMB3,605,060.49 (approximately HK\$4,103,000).

As at the date of this announcement, Jiahe Risheng is owned as to 51% by the Group and 49% by JS, a wholly-owned subsidiary of Ershisanye. Ershisanye is a non wholly-owned subsidiary of China Minmetals and a fellow subsidiary of June Glory (the controlling shareholder of the Company and an indirect wholly-owned subsidiary of China Minmetals which holds approximately 53.61% of the issued share capital of the Company as at the date of this announcement) and accordingly, Jiahe Risheng is a connected person of the Company. In this connection, the Transaction constitutes a connected transaction for the Company under Rule 14A.13(1)(a) of the Listing Rules. Based on the applicable size tests performed with respect to the contract sum of the Construction Contract, each of the relevant percentage ratios are less than 2.5%. Pursuant to Rule 14A.32(1) of the Listing Rules, the Transaction is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from independent shareholders' approval requirement.

### **BACKGROUND**

The Company announces that on 26 April 2010, SJQ, acting as contractor, and Jiahe Risheng, acting as the developer of LOHAS International Community in Changsha City, Hunan Province, the PRC, entered into the Construction Contract in respect of the supply and installation of aluminium doors and windows for certain part of Part II of Phase I of LOHAS International Community.

LOHAS International Community is a real estate development project in Changsha City, Hunan Province, the PRC. As at the date of this announcement, it is owned as to 51% by the Group and 49% by JS. JS is a wholly-owned subsidiary of Ershisanye which in turn is a non-wholly owned subsidiary of China Minmetals.

## **CONNECTED TRANSACTION**

### **Construction Contract**

- Date : 26 April 2010
- Principal : Jiahe Risheng , which is principally engaged in real estate development
- Contractor : SJQ, which is principally engaged in the design and installation of curtain walls and aluminium windows
- Scope of work : the supply and installation of aluminium doors and windows for twenty-six blocks of residential units of Part II of Phase I of LOHAS International Community
- Total contract sum : RMB3,605,060.49 (approximately HK\$4,103,000) subject to confirmation of the actual quantity and design of work
- Payment terms : Construction fees, in cash, will be payable with respect to specific work stages/milestones achieved in various aspects of work. In general, an aggregate of 95% of the contract sum will be settled within two months after the issuance of final accounts, and the remaining 5% of the contract sum will be settled upon the expiry of defect liability period.
- Contract period : 184 days

### **Reasons for and benefits of the Transaction**

The Group is principally engaged in the businesses of real estate development and project development, specialised construction and property investment. The appointment of contractor for the supply and installation of aluminium doors and windows is necessary for the construction works of LOHAS International Community.

In view of the satisfactory performance of SJQ in the construction contracts for the supply and installation of glass curtain walls, aluminium doors and windows for certain parts of Part I of Phase I of LOHAS International Community, details of which were announced by the Company on 2 March 2009, SJQ was invited to quote for the Construction Contract. The consideration was determined with reference to the quantity and specifications of aluminium doors and windows as shown in the tender documents including but not limited to working drawings issued for tendering purpose. The rates for the Construction Contract submitted by SJQ were on normal commercial terms. Accordingly, the Construction Contract was awarded to SJQ. As such, the Directors (including independent non-executive Directors) consider that the Transaction and the terms of the Construction Contract are fair and reasonable, have been arrived at on an arm's length basis and are in the interests of the Company and the Shareholders as a whole, and that the Transaction is entered into in the ordinary and usual course of business of SJQ and Jiahe Risheng, and on normal commercial terms.

## **INFORMATION ON SJQ AND JIAHE RISHENG**

SJQ is principally engaged in the design and installation of curtain walls and aluminium windows. SJQ's business is based in Shanghai and has coverage in fifteen provinces and cities in the PRC. It holds a First Class Enterprise Qualification Certificate for Curtain Wall Construction and a Class A Qualification Certificate for Specific Design for Curtain Wall Engineering Projects issued by the Ministry of Construction of the PRC, and an ISO 9001 Quality Management Systems Certificate issued by International Organisation for Standardisation. SJQ has been awarded Year 2007 Recommended Enterprises for Curtain Wall Construction and Installation by the Curtain Wall Committee of the PRC Construction and Decoration Association and was designated as one of the 50 leading curtain wall enterprises in the PRC.

Jiahe Risheng is engaged in the real estate development of LOHAS International Community in Changsha City, Hunan Province, the PRC.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Jiahe Risheng is owned as to 51% by the Group and 49% by JS, a wholly-owned subsidiary of Ershisanye. Ershisanye is a non wholly-owned subsidiary of China Minmetals and a fellow subsidiary of June Glory (the controlling shareholder of the Company and an indirect wholly-owned subsidiary of China Minmetals which holds approximately 53.61% of the issued share capital of the Company as at the date of this announcement) and accordingly, Jiahe Risheng is a connected person of the Company. In this connection, the Transaction constitutes a connected transaction for the Company under Rule 14A.13(1)(a) of the Listing Rules. Based on the applicable size tests performed with respect to the contract sum of the Construction Contract, each of the relevant percentage ratios are less than 2.5%. Pursuant to Rule 14A.32(1) of the Listing Rules, the Transaction is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from independent shareholders' approval requirement.

## **GENERAL**

As at the date of this announcement, the Board comprises nine Directors, namely Mr. Sun Xiaomin as the Chairman and a non-executive Director, Mr. Qian Wenchao, Mr. He Jianbo, Mr. Yin Liang, Mr. Yan Xichuan and Ms. He Xiaoli as executive Directors and Mr. Lam Chun, Daniel, Mr. Selwyn Mar and Ms. Tam Wai Chu, Maria as independent non-executive Directors.

## **DEFINITIONS**

“Board”	the board of Directors;
“China Minmetals”	中國五礦集團公司(China Minmetals Corporation), a State-owned enterprise in the PRC, which owns 100% equity interest in China Minmetals H.K. (Holdings) Limited which in turn owns the entire equity interest in June Glory, the controlling shareholder of the Company;

“Company”	Minmetals Land Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“connected person”	has the same meaning as ascribed to it under the Listing Rules;
“Construction Contract”	the construction contract entered into between SJQ and Jiahe Risheng on 26 April 2010 in respect of the supply and installation of aluminium doors and windows for certain part of Part II of Phase I of LOHAS International Community;
“controlling shareholder”	has the same meaning as ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Ershisanye”	二十三冶建設集團有限公司 (Ershisanye Construction Group Co., Ltd.*), an enterprise established under the laws of the PRC with limited liability and is owned as to 73.19%, 20% and 6.81% by China Minmetals, 湖南省人民政府國有資產監督管理委員會 (State-owned Assets Supervision & Administration Commission of Hunan Provincial People’s Government) and 二十三冶建設集團有限公司工會 (Labour Union of Ershisanye Construction Group Co., Ltd.*) respectively;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Jiahe Risheng”	五礦建設(湖南)嘉和日盛房地產開發有限公司(Minmetals Land (Hunan) Jiahe Risheng Real Estate Development Co., Ltd.*), a Sino-foreign equity joint venture incorporated under the laws of the PRC with limited liability, which is owned as to 51% by the Group and 49% by JS as at the date of this announcement;
“JS”	湖南嘉盛房地產開發有限責任公司(Hunan Jiasheng Real Estate Development Co., Ltd.*), an enterprise incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of Ershisanye;
“June Glory”	June Glory International Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of China Minmetals H.K. (Holdings) Limited, and is the controlling shareholder of the Company which holds approximately 53.61% of the issued share capital of the Company as at the date of this announcement;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;

“LOHAS International Community”	LOHAS International Community, the real estate development project located at Gaoyun Road, Muyun Town, Changsha County, Changsha City, Hunan Province, the PRC;
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“SJQ”	上海金橋瑞和裝飾工程有限公司 (Shanghai Jin Qiao Condo Decoration Engineering Co., Ltd.), a foreign investment enterprise established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Transaction”	the transaction contemplated under the Construction Contract; and
“%”	percentage.

*For the purpose of illustration only, conversion of RMB into Hong Kong dollars in this announcement is based on the exchange rate of RMB1.00 to HK\$1.1382. Such conversion should not be construed as a representation that any amounts have been, could have been, or may be, exchanged at this or any other rate.*

By order of the Board

**He Jianbo**

*Managing Director*

Hong Kong, 26 April 2010

*\* For identification purpose only*