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

*(Incorporated in Bermuda with limited liability)*  
(Stock Code: 230)

### **CONTINUING CONNECTED TRANSACTION LEASE OF OFFICE PREMISES**

The Board announces that Texion entered into the Tenancy Agreement with Cheerglory for the lease of the Premises on 30 December 2009.

Cheerglory is a wholly-owned subsidiary of Minmetals HK which in turn is a direct wholly-owned subsidiary of China Minmetals. China Minmetals is the ultimate controlling shareholder of the Company and is indirectly interested in approximately 53.61% of the entire issued share capital of the Company as at the date of this announcement. Accordingly, Cheerglory is a connected person of the Company and the Transaction constitutes a continuing connected transaction for the Company.

Based on the applicable size tests performed with respect to the aggregate sum of the annual rent under the Tenancy Agreement, the percentage ratios exceed 0.1% but are less than 2.5% and the annual consideration exceeds HK\$1,000,000.00. Pursuant to Rule 14A.34 of the Listing Rules, the Transaction is subject to the reporting and announcement requirements and is exempt from the independent shareholders' approval requirement.

### **BACKGROUND**

Cheerglory entered into a tenancy agreement dated 13 December 2007 with Texion for the lease of the premises situated at 11th Floor, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong for a term of 2 years ending on 31 December 2009.

As the existing tenancy agreement will expire on 31 December 2009, Cheerglory has on 30 December 2009 entered into the Tenancy Agreement with Texion for a further term of 2 years commencing from 1 January 2010 to 31 December 2011 (both dates inclusive).

## **THE TENANCY AGREEMENT**

The principal terms of the Tenancy Agreement are as follows:

|  |   |  |
|--|---|--|
| Date   | : | 30 December 2009   |
| Parties  | : | Texion as the landlord and Cheerglory as the tenant  |
| Premises   | : | 11th Floor, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong of a gross floor area of approximately 5,793 square feet |
| Period   | : | 2 years commencing from 1 January 2010 to 31 December 2011 (both dates inclusive)  |
| Rent   | : | the rent (exclusive of rates, service, management and air-conditioning charges) payable in cash shall be HK\$110,067.00 per calendar month         |
| Tenant's share of service, management and air-conditioning charges | : | HK\$24,331.00 payable in cash per calendar month   |

The annual cap for the rent payable by Cheerglory in respect of the Tenancy Agreement shall not exceed HK\$1,320,804.00. The annual cap does not include the service, management and air-conditioning charges since they are payable to independent third parties.

The terms of the Tenancy Agreement have been agreed by the parties after arm's length negotiation and are on normal commercial terms. The monthly rent has been determined with reference to the rent payable by other tenants of China Minmetals Tower and is in line with the prevailing open market rent of other premises with conditions comparable to those of the Premises.

## **REASONS FOR ENTERING INTO THE TENANCY AGREEMENT**

Minmetals HK and its subsidiaries have occupied 11th Floor of China Minmetals Tower as its registered and head office since 1999. The Directors (including independent non-executive Directors) consider that the terms of the Tenancy Agreement are fair and reasonable, on normal commercial terms and in the interest of the Company and its shareholders as a whole.

## **INFORMATION ON THE GROUP, TEXION AND CHEERGLORY**

The Group is principally engaged in the businesses of real estate development and project management, specialised construction and property investment.

Texion is a wholly-owned subsidiary of the Company and is principally engaged in property investment. Texion is the sole owner of China Minmetals Tower.

Cheerglory is a wholly-owned subsidiary of Minmetals HK and is principally engaged in trading of metallic product, investment holding and property investment business.

## **LISTING RULES IMPLICATIONS**

Cheerglory is a wholly-owned subsidiary of Minmetals HK which in turn is a direct wholly-owned subsidiary of China Minmetals. China Minmetals is the ultimate controlling shareholder of the Company and is indirectly interested in approximately 53.61% of the entire issued share capital of the Company as at the date of this announcement. Accordingly, Cheerglory is a connected person of the Company and the Transaction constitutes a continuing connected transaction for the Company.

Based on the applicable size tests performed with respect to the aggregate sum of the annual rent under the Tenancy Agreement, the percentage ratios exceed 0.1% but are less than 2.5% and the annual consideration exceeds HK\$1,000,000.00. Pursuant to Rule 14A.34 of the Listing Rules, the Transaction is subject to the reporting and announcement requirements and is exempt from the independent shareholders' approval requirement. Pursuant to Rule 14A.46 of the Listing Rules, details of the Tenancy Agreement will be included in the published annual reports and financial statements of the Company for each of the relevant financial years.

## **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;  |
| “Cheerglory”              | Cheerglory Traders Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Minmetals HK;  |
| “China Minmetals”         | China Minmetals Corporation, a State-owned enterprises in the People's Republic of China and the ultimate controlling shareholder of the Company which is indirectly interested in approximately 53.61% of the entire issued share capital of the Company as at the date of this announcement; |
| “Company”                 | Minmetals Land Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited;  |
| “connected person”        | has the same meaning as ascribed to it under the Listing Rules;  |
| “controlling shareholder” | has the same meaning as ascribed to it under the Listing Rules;  |

|                     |   |
|---------------------|---|
| “Directors”         | the directors (including independent non-executive directors) of the Company;   |
| “Group”             | the Company and its subsidiaries;   |
| “Hong Kong”         | Hong Kong Special Administrative Region of the People’s Republic of China;  |
| “HK\$”              | Hong Kong dollars, the lawful currency of Hong Kong;  |
| “Listing Rules”     | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;   |
| “Minmetals HK”      | China Minmetals H.K. (Holdings) Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of China Minmetals; |
| “Premises”          | the premises situated at 11th Floor, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong;                                   |
| “Tenancy Agreement” | the tenancy agreement entered into between Texion and Cheerglory for the lease of the Premises on 30 December 2009;                                   |
| “Texion”            | Texion Development Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company;                  |
| “Transaction”       | the lease of the Premises as contemplated under the Tenancy Agreement; and  |
| “%”                 | per cent.   |

By order of the Board  
**He Jianbo**  
*Managing Director*

Hong Kong, 30 December 2009

*\*For identification purpose only*