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五礦地產有限公司 **MINMETALS LAND LIMITED**

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

MAJOR AND CONTINUING CONNECTED TRANSACTIONS

FRAMEWORK AGREEMENTS ON FINANCIAL ASSISTANCE

SECOND SUPPLEMENTAL WANHU FRAMEWORK AGREEMENT

References are made to the announcements of the Company dated 30 March 2015 and 4 August 2015 (the "**Announcements**") in relation to the entering into of a framework agreement as supplemented by a subsequent supplemental agreement ("**Wanhu Framework Agreement**") whereby, among other things, Beijing Wanhu, a non wholly-owned subsidiary owned as to 51% by the Group, may provide loans by way of entrustment loans to MLIML (or its designated wholly-owned subsidiary in the PRC) and Beijing Vanke, being shareholders of Beijing Wanhu.

On 6 December 2016, Beijing Wanhu, MLIML and Beijing Vanke entered into a second supplemental agreement (the "**Second Supplemental Wanhu Framework Agreement**") whereby the term of the Wanhu Framework Agreement was extended to 31 December 2019 and the cap on the total amount of loan that may be lent under the Wanhu Framework Agreement was increased to RMB6,900 million (approximately HK\$7,910 million).

LANGFANG FRAMEWORK AGREEMENT

On 6 December 2016, Kuangshi Jiye, another non wholly-owned subsidiary of the Company owned as to 50% by Hanten and as to the remaining 50% by Beijing Vanke, entered into the Langfang Framework Agreement with Hanten and Beijing Vanke, pursuant to which Kuangshi Jiye may during the term from 1 January 2017 to 31 December 2019 provide loans by way of entrustment loans to Hanten (or its designated fellow subsidiary in the PRC) for an amount not exceeding RMB300 million (approximately HK\$344 million) and to Beijing Vanke for an amount not exceeding RMB300 million (approximately HK\$344 million) based on the same terms and conditions and in proportion to their respective shareholding in Kuangshi Jiye with interest and on an unsecured basis.

THE LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios in respect of the proposed revised cap amount of loans that may be provided by Beijing Wanhu to Beijing Vanke at any time during the term of the Wanhu Framework Agreement as supplemented by the Second Supplemental Wanhu Framework Agreement is more than 25% but less than 100%, the entering into of the Second Supplemental Wanhu Framework Agreement constitutes a major transaction for the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

While only one of the applicable percentage ratios in respect of the cap amount of loans that may be provided by Kuangshi Jiye to Beijing Vanke at any time during the term of the Langfang Framework Agreement is more than 5% but less than 25%, when aggregated with the cap amount of loans that may be provided by Kuangshi Jiye and Beijing Wuhan to Beijing Vanke under the Wanhu Framework Agreement as supplemented by the Second Supplemental Wanhu Framework Agreement, one of the applicable percentage ratios in aggregate will exceed 25%. Accordingly, the provision of loan under the Wanhu Framework Agreement as supplemented and the Langfang Framework Agreement together constitute major transactions for the Company and are subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

In addition, Beijing Vanke is a substantial shareholder of each of Beijing Wuhan and Kuangshi Jiye and is therefore a connected person at the subsidiary level of the Company. The provision of loans by the Group to Beijing Vanke under the Wanhu Framework Agreement as supplemented and the Langfang Framework Agreement also constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As the independent non-executive Directors have confirmed that the terms of the Wanhu Framework Agreement as supplemented and the Langfang Framework Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the Second Supplemental Wanhu Framework Agreement and the Langfang Framework Agreement are only subject to the reporting and announcement requirements, but exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

Written approval for the Second Supplemental Wanhu Framework Agreement and the Langfang Framework Agreement has been obtained from June Glory, the controlling shareholder holding approximately 61.93% of the issued share capital of the Company as at the date of this announcement. Therefore, no general meeting will be convened to consider and approve the Second Supplemental Wanhu Framework Agreement and the Langfang Framework Agreement pursuant to Rule 14.44 of the Listing Rules. To the best of the knowledge, information and belief of the Directors, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Second Supplemental Wanhu Framework Agreement and the Langfang Framework Agreement.

A circular containing, among other things, further particulars of the Second Supplemental Wanhu Framework Agreement and the Langfang Framework Agreement will be despatched to Shareholders on or before 29 December 2016.

SECOND SUPPLEMENTAL WANHU FRAMEWORK AGREEMENT

References are made to the Announcements of the Company.

As previously disclosed in the Announcements, on 30 March 2015 and 4 August 2015, Beijing Wanhu, a non wholly-owned subsidiary of the Company, entered into the Wanhu Framework Agreement as supplemented with MLIML, a wholly-owned subsidiary of the Company holding 51% of the equity interest of Beijing Wanhu, and Beijing Vanke, holder of the remaining 49% of the equity interest of Beijing Wanhu, pursuant to which Beijing Wanhu may during the term from 1 May 2015 to 30 April 2018 provide loans by way of entrustment loans to MLIML (or its designated wholly-owned subsidiary in the PRC) for an amount not exceeding RMB2,295 million (approximately HK\$2,631 million) and to Beijing Vanke for an amount not exceeding RMB2,205 million (approximately HK\$2,528 million) based on the same terms and conditions and in proportion to their respective shareholding in Beijing Wanhu.

Date

6 December 2016

Parties

Lender : Beijing Wanhu, a non wholly-owned subsidiary of the Company;

Borrowers : MLIML, a wholly-owned subsidiary of the Company and the holder of 51% of the equity interest of Beijing Wanhu; and

Beijing Vanke, the holder of 49% of the equity interest of Beijing Wanhu.

Original cap amount of loans

The original cap amount of loans for the period from 1 May 2015 to 30 April 2018 under the Wanhu Framework Agreement as supplemented are as follows:

MLIML : not exceeding RMB2,295 million (approximately HK\$2,631 million)

Beijing Vanke : not exceeding RMB2,205 million (approximately HK\$2,528 million)

Revised cap amount of loans

The revised cap amount of loans for the period from 1 January 2017 to 31 December 2019 under the Second Supplemental Wanhu Framework Agreement are as follows:

MLIML : not exceeding RMB3,519 million (approximately HK\$4,034 million)

Beijing Vanke : not exceeding RMB3,381 million (approximately HK\$3,876 million)

The Directors have considered the following key factors in determining such revised cap:

- the latest development schedule, sales programme and costing of Beijing Fortune Garden which is a real estate development project engaged by Beijing Wanhu; and
- the satisfactory sales performance with significant increase in selling price of the properties of Beijing Fortune Garden since 2015 which has generated sufficient funding from its operation with significant idle cash.

Revised cap amount of interest

Based on the maximum amount of loan that may be granted by Beijing Wanhu under the Second Supplemental Wanhu Framework Agreement, it is expected that the interest receivable from each of MLIML (or its designated wholly-owned subsidiary in the PRC) and Beijing Vanke under the Second Supplemental Wanhu Framework Agreement for each of the three years ending 31 December 2019 will not exceed:

	For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
MLIML	RMB167 million (approximately HK\$191 million)	RMB167 million (approximately HK\$191 million)	RMB167 million (approximately HK\$191 million)
Beijing Vanke	RMB161 million (approximately HK\$184 million)	RMB161 million (approximately HK\$184 million)	RMB161 million (approximately HK\$184 million)

Revised term

For an extended period from a term from 1 May 2015 to 30 April 2018 to a term from 1 January 2017 to 31 December 2019.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SECOND SUPPLEMENTAL WANHU FRAMEWORK AGREEMENT

As the outstanding amount of entrustment loan to MLIML and Beijing Vanke has almost reached the original cap under the Wanhu Framework Agreement and therefore, the Board proposed to amend the original cap and the term in relation to the loans that may be provided under the Wuhan Framework Agreement.

The Directors (including the independent non-executive Directors) consider that the extended term of the Second Supplemental Wanhu Framework Agreement, and the revised cap amount of loans, are fair and reasonable, on normal commercial terms and in the interests of the Company and Shareholders as a whole.

THE LANGFANG FRAMEWORK AGREEMENT

Date

6 December 2016

Parties

Lender : Kuangshi Jiye, a non wholly-owned subsidiary of the Company

Borrowers : Hanten, a wholly-owned subsidiary of the Company and the holder of 50% of the equity interest of Kuangshi Jiye; and
Beijing Vanke, the holder of 50% of the equity interest of Kuangshi Jiye.

Term of the Langfang Framework Agreement

Three years commencing from 1 January 2017 to 31 December 2019.

Interest

Kuangshi Jiye shall charge interest on loans granted to Hanten (or its designated fellow subsidiary in the PRC) and Beijing Vanke pursuant to the Langfang Framework Agreement with reference to the benchmark interest rate to be announced by the People's Bank of China from time to time.

Provision of entrustment loans

Kuangshi Jiye will depending on the idle cash available to it, entrust financial institutions which are qualified to engage in entrustment loan business to provide entrustment loans to Hanten (or its designated fellow subsidiary in the PRC) for an amount not exceeding RMB300 million (approximately HK\$344 million) and to Beijing Vanke for an amount not exceeding RMB300 million (approximately HK\$344 million) based on the same terms and conditions and in proportion to their respective shareholding in Kuangshi Jiye with interest and on an unsecured basis.

Term of the entrustment loans and early repayment

The entrustment loans shall be of a term of not more than three years commencing no earlier than 1 January 2017 and ending no later than 31 December 2019. Kuangshi Jiye may, at any time by giving 15 working days advance written notice to both Hanten (or its designated fellow subsidiary in the PRC) and Beijing Vanke, request for early repayment of part or all of the entrustment loans made to each of Hanten (or its designated fellow subsidiary in the PRC) and Beijing Vanke under the Langfang Framework Agreement on a prorated basis.

Cap amount of loans

- Hanten : not exceeding RMB300 million (approximately HK\$344 million)
- Beijing Vanke : not exceeding RMB300 million (approximately HK\$344 million)

The Directors have considered the following key factors in determining such cap:

- the proportional equity interest of Hanten and Beijing Vanke in Kuangshi Jiye;
- the cash balance of Kuangshi Jiye available for use and the development progress of Minmetals Vanke City and its planned sales scale during the term of the Langfang Framework Agreement; and
- the development and financial requirements of Kuangshi Jiye during the term of the Langfang Framework Agreement.

Cap amount of interest

Based on the maximum amount of loan that may be granted by Kuangshi Jiye under the Langfang Framework Agreement, it is expected that the interest receivable from each of Hanten (or its designated fellow subsidiary in the PRC) and Beijing Vanke under the Langfang Framework Agreement for each of the three years ending 31 December 2019 will not exceed:

	For the year ending 31 December 2017	For the year ending 31 December 2018	For the year ending 31 December 2019
Hanten	RMB14 million (approximately HK\$16 million)	RMB14 million (approximately HK\$16 million)	RMB14 million (approximately HK\$16 million)
Beijing Vanke	RMB14 million (approximately HK\$16 million)	RMB14 million (approximately HK\$16 million)	RMB14 million (approximately HK\$16 million)

REASONS FOR AND BENEFITS OF ENTERING INTO THE LANGFANG FRAMEWORK AGREEMENT

Kuangshi Jiye is engaged in the development of Minmetals Vanke City and has generated sufficient funding from its operation to meet its development needs. Based on the planned development schedule, sales programme and costing of Minmetals Vanke City, it is expected that a significant amount of idle cash will be accumulated in the next three years.

The Directors consider that the provision of entrustment loans by Kuangshi Jiye to its shareholders will allow it to release its idle cash, and will also enhance the working capital of the Group and provide flexibility in the planning and management of the Group's liquidity position during the term of the Langfang Framework Agreement.

The Directors (including the independent non-executive Directors) consider that the terms of the Langfang Framework Agreement, including the cap amount of loans, are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

THE LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios in respect of the proposed revised cap amount of loans that may be provided by Beijing Wanhu to Beijing Vanke at any time during the term of the Wanhu Framework Agreement as supplemented by the Second Supplemental Wanhu Framework Agreement is more than 25% but less than 100%, the entering into of the Second Supplemental Wanhu Framework Agreement constitutes a major transaction for the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

While only one of the applicable percentage ratios in respect of the cap amount of loans that may be provided by Kuangshi Jiye to Beijing Vanke at any time during the term of the Langfang Framework Agreement is more than 5% but less than 25%, when aggregated with the cap amount of loans that may be provided by Kuangshi Jiye and Beijing Wuhan to Beijing Vanke under the Wanhu Framework Agreement as supplemented by the Second Supplemental Wanhu Framework Agreement, one of the applicable percentage ratios in aggregate will exceed 25%. Accordingly, the provision of loan under the Wanhu Framework Agreement as supplemented and the Langfang Framework Agreement together constitute major transactions for the Company and are subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

In addition, Beijing Vanke is a substantial shareholder of each of Beijing Wuhan and Kuangshi Jiye and is therefore a connected person at the subsidiary level of the Company. The provision of loans by the Group to Beijing Vanke under the Wanhu Framework Agreement as supplemented and the Langfang Framework Agreement also constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As the independent non-executive Directors have confirmed that the terms of the Wanhu Framework Agreement as supplemented and the Langfang Framework Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the Second Supplemental Wanhu Framework Agreement and the Langfang Framework Agreement are only subject to the reporting and announcement requirements, but exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

Written approval for the Second Supplemental Wanhu Framework Agreement and the Langfang Framework Agreement has been obtained from June Glory, the controlling shareholder holding approximately 61.93% of the issued share capital of the Company as at the date of this announcement. Therefore, no general meeting will be convened to consider and approve the Second Supplemental Wanhu Framework Agreement and the Langfang Framework Agreement pursuant to Rule 14.44 of the Listing Rules. To the best of the knowledge, information and belief of the Directors, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Second Supplemental Wanhu Framework Agreement and the Langfang Framework Agreement.

A circular containing, among other things, further particulars of the Second Supplemental Wanhu Framework Agreement and the Langfang Framework Agreement will be despatched to Shareholders on or before 29 December 2016.

INFORMATION ON THE PARTIES

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

Beijing Wanhu is a non wholly-owned subsidiary of the Company undertaking the development of Beijing Fortune Garden, a residential development project located at Xibeiwang Town, Haidian District, Beijing, the PRC.

Kuangshi Jiye is a non wholly-owned subsidiary of the Company undertaking the development of Minmetals Vanke City, a residential development project located at Jingxintun Town, Xianghe County, Langfang City, Hebei Province, the PRC.

MLIML is a wholly-owned subsidiary of the Company and its principal activity is investment holding.

Hanten is a wholly-owned subsidiary of the Company and its principal activity is investment holding.

Beijing Vanke is a substantial shareholder of each of Beijing Wanhu and Kuangshi Jiye and is therefore a connected person at the subsidiary level of the Company. Beijing Vanke is principally engaged in real estate development business in the PRC and is a wholly-owned subsidiary of China Vanke whose shares are listed on the Shenzhen Stock Exchange and the main board of the Stock Exchange.

GENERAL

As at the date of this announcement, the Board comprises nine Directors, namely Mr. Zhang Yuanrong as the Chairman and a non-executive Director, Mr. He Jianbo as the Deputy Chairman, Managing Director and an executive Director, Mr. Yin Liang, Ms. He Xiaoli and Mr. Liu Zeping as executive Directors, Mr. Cui Hushan as a non-executive Director, and Mr. Selwyn Mar, Ms. Tam Wai Chu, Maria and Mr. Lam Chung Lun, Billy as independent non-executive Directors.

DEFINITIONS

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

“Announcements” the announcements of the Company dated 30 March 2015 and 4 August 2015;

“Beijing Fortune Garden” a real estate development project of the Group located at Xibeiwang Town, Haidian District, Beijing, the PRC;

“Beijing Vanke”	北京萬科企業有限公司 (Beijing Vanke Co., Ltd.*), a company incorporated in the PRC and a wholly-owned subsidiary of China Vanke;
“Beijing Wanhu”	北京萬湖房地產開發有限公司 (Beijing Wanhu Property Development Co., Ltd.*), a company incorporated in the PRC and a non wholly-owned subsidiary of the Company;
“Board”	the board of Directors;
“China Vanke”	萬科企業股份有限公司 (China Vanke Co., Ltd.*), a company incorporated in the PRC, the shares of which are listed on the Shenzhen Stock Exchange and the main board of the Stock Exchange;
“Company”	Minmetals Land Limited, a company incorporated in Bermuda with limited liability, whose Shares are listed on the Main Board of the Stock Exchange;
“connected person”, “controlling shareholder”, “subsidiary” and “substantial shareholder”	each shall have the meaning ascribed to it under the Listing Rules;
“Directors”	the directors (including independent non-executive directors) of the Company;
“Group”	the Company and its subsidiaries;
“Hanten”	Hanten Investment Limited 恒勝投資有限公司, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“June Glory”	June Glory International Limited, a company incorporated in the British Virgin Islands with limited liability, and is the controlling shareholder of the Company holding approximately 61.93% of the issued share capital of the Company as at the date of this announcement;
“Kuangshi Jiye”	廊坊曠世基業房地產開發有限公司 (Langfang Kuangshi Jiye Property Development Co., Ltd.*), a company incorporated in the PRC and a non wholly-owned subsidiary of the Company;

“Langfang Framework Agreement ”	the loan framework agreement dated 6 December 2016 entered into among Kuangshi Jiye, Hanten and Beijing Vanke;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Minmetals Vanke City”	a real estate development project of the Group located at Jingxintun Town, Xianghe County, Langfang City, Hebei Province, the PRC;
“MLIML”	Minmetals Land Investment Management Limited 五礦建設投資管理有限公司, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company;
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan);
“RMB”	Renminbi, the lawful currency of the PRC;
“Second Supplemental Wanhu Framework Agreement”	the second supplemental agreement to the Wanhu Framework Agreement dated 6 December 2016 entered into among Beijing Wanhu, MLIML and Beijing Vanke;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company;
“Shareholder(s)”	holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Wanhu Framework Agreement”	the framework agreement dated 30 March 2015 entered into among Beijing Wanhu, MLIML and Beijing Vanke as supplemented by a supplemental agreement dated 4 August 2015 entered into by the parties; and
“%”	per cent.

For the purpose of illustration only and unless otherwise stated, conversion of RMB into Hong Kong dollars in this announcement is calculated at the exchange rate of RMB1.00 = HK\$1.1464. 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.

By order of the Board

He Jianbo

Deputy Chairman and Managing Director

Hong Kong, 6 December 2016

**For identification purpose only*