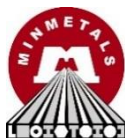


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五礦地產有限公司 **MINMETALS LAND LIMITED**

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

DISCLOSEABLE TRANSACTION FORMATION OF JOINT VENTURE AND PROVISION OF SHAREHOLDERS' LOAN

Reference is made to the Previous Announcement of the Company dated 31 July 2018 in relation to the Triparty Framework Agreement entered into between Shengshi Guangye (an indirect wholly-owned subsidiary of the Company), MLHL and Anhao Investment in relation to, among other things, Shengshi Guangye's acquisition of MLHL's rights to participate in the Joint Venture and the Contribution, which is subject to the signing of the definitive Joint Venture Agreement.

The Board wishes to announce that on 14 December 2018, Shengshi Guangye entered into the Joint Venture Agreement with the JV Partners, Anhao Investment and the Target Company in relation to, among other things, subscription of equity interest by Shengshi Guangye and the JV Partners in the Target Company and the formation of the Joint Venture for the purpose of investing in and undertaking the development of the Project.

Pursuant to the Joint Venture Agreement, Shengshi Guangye shall contribute the Total Investment Amount of RMB216,489,000 (approximately HK\$258,942,493), which comprises RMB5,000,000 (approximately HK\$5,980,500) to subscribe for 10% equity interest in the Target Company and up to RMB211,489,000 as shareholder's loan (approximately HK\$252,961,993) to the Target Company.

As one of the applicable percentage ratios in respect of the Total Investment Amount under the Joint Venture Agreement is more than 5% but all of the applicable percentage ratios are less than 25%, the Joint Venture constitutes a discloseable transaction for the Company subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE JOINT VENTURE – JOINT VENTURE AGREEMENT

Date

14 December 2018

Parties

1. Anhao Investment
2. the JV Partners
3. Shengshi Guangye
4. the Target Company

Subject matter

The parties shall subscribe for their respective equity interests in and provide shareholders' loan to the Target Company for the purpose of investing in and undertaking the development of the Project on the Land.

Upon completion of the Contribution, the Target Company will be accounted for as a joint venture of the Company.

Increase in registered capital

The registered capital of the Target Company shall increase from RMB10,000,000 (approximately HK\$11,961,000) already paid up by Anhao Investment, to RMB50,000,000 (approximately HK\$59,805,000), and (i) Anhao Investment shall contribute RMB10,000,000 (approximately HK\$11,961,000); (ii) one of the JV Partners shall contribute RMB15,000,000 (approximately HK\$17,941,500); and (iii) each of Shengshi Guangye and two of the JV Partners shall contribute RMB5,000,000 (approximately HK\$5,980,500), respectively, payable in cash into the registered capital of the Target Company and the contribution to such additional registered capital shall be completed within 20 business days after the date of the Joint Venture Agreement. The registered capital of the Target Company following the contribution from each of the JV Partners and Shengshi Guangye will be as follows:

- (1) Anhao Investment: a total of RMB20,000,000 (approximately HK\$23,922,000), representing 40% of the equity interest of the Target Company, of which RMB10,000,000 (approximately HK\$11,961,000) has already been paid up on the date of the Joint Venture Agreement;
- (2) one of the JV Partners: RMB15,000,000 (approximately HK\$17,941,500), representing 30% of the equity interest of the Target Company;
- (3) each of Shengshi Guangye and two of the JV Partners: RMB5,000,000 (approximately HK\$5,980,500), representing 10% of the equity interest of the Target Company.

Shareholders' loan

The total shareholders' loan required by the Target Company in funding the development of the Project and the operation of the Target Company is estimated to be RMB2,114,890,000 (approximately HK\$2,529,619,929), which comprises:-

- (1) as at the date of the Joint Venture Agreement, Anhao Investment has provided an Initial Shareholder's Loan in the amount of RMB1,947,900,000 (approximately HK\$2,329,883,190) to the Target Company to fund the acquisition of the Land;

(i) each of Shengshi Guangye (pursuant to the Triparty Framework Agreement) and two of the JV Partners, has paid an Earnest Money in the amount of RMB194,790,000 (approximately HK\$232,988,319); and (ii) one of the JV Partners (pursuant to the Joint Venture Agreement), shall pay on or before 21 December 2018 an Earnest Money in the amount of RMB389,580,000 (approximately HK\$465,976,638) to Anhao Investment as earnest money for participating in the Joint Venture, respectively;

such Earnest Money paid to Anhao Investment shall be applied by each of the JV Partners and Shengshi Guangye to acquire their respective shares of the Initial Shareholders' Loan in proportion to their respective equity interests in the Target Company;

- (2) the parties shall provide a shareholders' loan of up to approximately RMB28,122,800 (approximately HK\$33,637,681) to the Target Company in proportion to their respective equity interests in the Target Company within 5 business days after the date of the Joint Venture Agreement to fund the interest payment to Anhao Investment on the Initial Shareholder's Loan for the period since such loan was first made in December 2017 to the payment date of such loan by the Target Company to Anhao Investment; and
- (3) the remaining balance of total shareholders' loan (being approximately RMB138,867,200 (approximately HK\$166,099,058)) shall be provided within 30 days upon request of the Target Company in proportion to the parties' respective equity interests in the Target Company.

All shareholders' loan to be provided to the Target Company shall carry interest at the rate of 6% per annum and shall be repayable within one year (or such other date as agreed by the parties in accordance with the Joint Venture Agreement).

Total Investment Amount

The Total Investment Amount of Shengshi Guangye in the Target Company (namely the registered capital and the shareholder's loan) shall be RMB216,489,000 (approximately HK\$258,942,493) which is in proportion to its equity interest in the Target Company. The Total Investment Amount was determined after arm's length negotiations between the parties with reference to the consideration of the Land and the proposed capital requirements of the Joint Venture and the Project.

Future financing

The Target Company shall arrange, where required, for bank borrowings before seeking further shareholders' loan from the parties. All further shareholders' loan is subject to the negotiation of the parties and shall be provided in proportion to their respective equity interests in the Target Company.

Scope of business

Development of the Project.

Board composition and business operation

The board of directors of the Target Company will comprise of five directors. Anhao Investment, Shengshi Guangye and each of the JV Partners shall be entitled to nominate one director each.

Profit distribution

The distributable profit of the Target Company shall be distributed to the parties in proportion to their respective equity interests in the Target Company

The Directors consider that the terms of the Joint Venture Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE LAND AND THE PROJECT

The Target Company is a special purpose vehicle established by Anhao Investment to hold and develop the Land, which was acquired at a consideration of RMB1,947,900,000 (approximately HK\$2,329,883,190).

The Land on which the Project will be carried out, is a piece of land situated in Baiyun District of Guangzhou with a site area of 56,926 square metres. The Project currently in contemplation by the Group together with the JV Partners and Anhao Investment, involves the development of the Land for residential purpose with a gross floor area of approximately 85,710 square metres.

REASONS FOR AND BENEFITS OF ENTERING INTO THE JOINT VENTURE AGREEMENT

The Directors believe that the Joint Venture will bring various commercial benefits to the Company, including increasing and strengthening the Group's investment in real estate development projects in the PRC, and is in conformity with the aligned interests of the Company and its Shareholders as a whole.

None of the Directors is regarded as having a material interest in the Joint Venture, and hence none of the Directors has abstained from voting on the resolutions to approve the Joint Venture Agreement.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios in respect of the Total Investment Amount under the Joint Venture Agreement is more than 5% but all of the applicable percentage ratios are less than 25%, the Joint Venture constitutes a discloseable transaction for the Company subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

INFORMATION ON THE PARTIES

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

Shengshi Guangye is an indirect wholly-owned subsidiary of the Company and is principally engaged in investment holding.

Target Company is a company established with limited liability under the laws of the PRC and is principally engaged in the holding and development of the Land.

Anhao Investment is a company established with limited liability under the laws of the PRC and is principally engaged in investment holding.

Each of the JV Partners is a company established with limited liability under the laws of the PRC engaging in the business of investment holding or real estate development.

To the best of the Directors' knowledge, information and belief having made all reasonable enquires, each of the JV Partners, Anhao Investment and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

DEFINITIONS

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

“Anhao Investment”	桐鄉市安豪投資管理有限公司 (Tongxiang City Anhao Investment Management Co., Ltd.*), a limited liability company incorporated under the laws of the PRC;
“associate”, “connected person” and “subsidiary”	each shall have the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Company”	Minmetals Land Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange;
“Contribution”	Shengshi Guangye's contribution of RMB5,000,000 (approximately HK\$5,980,500) to the registered capital of the Target Company, representing 10% of the equity interest in the Target Company pursuant to the terms of the Joint Venture Agreement;
“Directors”	the directors (including independent non-executive directors) of the Company;
“Earnest Money”	the earnest money paid by each of the JV Partners and Shengshi Guangye (pursuant to the Triparty Framework Agreement) to Anhao Investment;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Initial Shareholder’s Loan”	initial shareholder’s loan for an amount of RMB1,947,900,000 (approximately HK\$2,329,883,190) provided by Anhao Investment to the Target Company to fund the acquisition of the Land;
“Joint Venture”	the joint venture formed under the Joint Venture Agreement in relation to the operation of the Target Company;
“Joint Venture Agreement”	the agreement dated 14 December 2018 entered into by Shengshi Guangye with Anhao Investment, the JV Partners and the Target Company in relation to the Joint Venture;
“JV Partners”	three other parties to the Joint Venture Agreement in relation to the formation of the Joint Venture;
“Land”	a piece of land situated in 1, Baiyun District of Guangzhou with a site area of 56,926 square metres;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“MLHL”	五礦地產控股有限公司 (Minmetals Land Holdings Limited*), a limited liability company incorporated under the laws of the PRC which is a subsidiary of China Minmetals Corporation, which is the ultimate controlling shareholder holding approximately 61.88% of the issued share capital of the Company as at the date of this announcement;
“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);
“Previous Announcement”	the Company’s announcement dated 31 July 2018 in relation to the Triparty Framework Agreement;
“Project”	the residential development on the Land with a gross floor area of 85,710 square metres;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shares”	ordinary shares of HK\$0.10 each in the issued share capital of the Company;
“Shareholder(s)”	holder(s) of Shares;
“Shengshi Guangye”	北京盛世廣業投資管理有限公司 (Beijing Shengshi Guangye Investment Management Co., Ltd.*), an indirect

	wholly-owned subsidiary of the Company incorporated under the laws of the PRC with limited liability;
“Stock Exchange”	the Stock Exchange of Hong Kong Limited;
“Target Company”	廣州安合房地產開發有限公司 (Guangzhou Anhe Real Estate Development Co., Ltd.*), a company incorporated under the laws of the PRC with limited liability, which is the owner of the Land on which the Project will be developed;
“Total Investment Amount”	the total commitment of Shengshi Guangye in the Target Company (namely the registered capital and the shareholder’s loan) of RMB216,489,000 (approximately HK\$258,942,493);
“Triparty Framework Agreement”	the agreement dated 31 July 2018 entered into by MLHL (as defined in the Previous Announcement), Anhao Investment and Shengshi Guangye in relation to the Acquisition (as defined in the Previous Announcement) as supplemented from time to time; and
“%”	per cent.

For the purpose of illustration only and unless otherwise stated, conversion of RMB into Hong Kong dollars in this announcement is based on the exchange rate of RMB1.00 = HK\$1.1961. 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, 14 December 2018

** For identification purpose only*

As at the date of this announcement, the Board comprises nine directors, namely Mr. Li Fuli as the Chairman and a non-executive director, Mr. He Jianbo as the Deputy Chairman, Managing Director and an executive director, Mr. Liu Zeping, Mr. Chen Xingwu and Mr. Yang Shangping as executive directors, Ms. He Xiaoli as a non-executive director, and Mr. Selwyn Mar, Mr. Lam Chung Lun, Billy and Ms. Law Fan Chiu Fun, Fanny as independent non-executive directors.