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五礦地產有限公司
MINMETALS LAND LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 230)

CONTINUING CONNECTED TRANSACTIONS

**Property Management Service Contracts in respect of
real estate development projects in Changsha and Wuhan**

Reference is made to the announcement of the Company dated 22 December 2016 in relation to the 2017 Service Contracts entered into between each of Jiahe Risheng and Zhongrun Chengzhen (both being wholly-owned subsidiaries of the Company) with Minmetals Properties Hunan (a non-wholly owned subsidiary of China Minmetals) for the provision of property management services by Minmetals Properties Hunan to LOHAS International Community and Scotland Town respectively.

Each of Jiahe Risheng and Zhongrun Chengzhen has on 25 January 2019 entered into Service Contract I and Service Contract II with Minmetals Properties Hunan for the provision of property management services by Minmetals Properties Hunan to LOHAS International Community and Scotland Town respectively for a further term of 3 years from 1 January 2019 to 31 December 2021.

In addition, each of Hunan Kuangdai, Minmetals Land Wuhan and Wuhan Runling (all being wholly-owned subsidiaries of the Company) has on 25 January 2019 entered into Service Contract III, Service Contract IV and Service Contract V with Minmetals Properties Hunan for the provision of property management services by Minmetals Properties Hunan to Qin Royale, Enchanté Crest and Wuhan Scenery Cove respectively for a term of 3 years from 1 January 2019 to 31 December 2021.

Minmetals Properties Hunan is an indirect non-wholly owned subsidiary of China Minmetals which is the ultimate controlling shareholder of the Company indirectly interested in approximately 61.88% of the issued share capital of the Company as at the date of this announcement. Accordingly, Minmetals Properties Hunan is a connected person of the Company and the Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As all of the applicable percentage ratios in respect of the Annual Cap Amounts under the 2019 Service Contracts are less than 5%, the Transactions constitute continuing connected transactions for the Company subject to announcement and reporting requirements but are exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the announcement of the Company dated 22 December 2016 in relation to the 2017 Service Contracts entered into between each of Jiahe Risheng and Zhongrun Chengzhen (both being wholly-owned subsidiaries of the Company) with Minmetals Properties Hunan (a non-wholly owned subsidiary of China Minmetals) for the provision of property management services by Minmetals Properties Hunan to LOHAS International Community and Scotland Town respectively.

Each of Jiahe Risheng and Zhongrun Chengzhen has on 25 January 2019 entered into Service Contract I and Service Contract II with Minmetals Properties Hunan for the provision of property management services by Minmetals Properties Hunan to LOHAS International Community and Scotland Town respectively for a further term of 3 years from 1 January 2019 to 31 December 2021.

In addition, each of Hunan Kuangdai, Minmetals Land Wuhan and Wuhan Runling (all being wholly-owned subsidiaries of the Company) has on 25 January 2019 entered into Service Contract III, Service Contract IV and Service Contract V with Minmetals Properties Hunan for the provision of property management services by Minmetals Properties Hunan to Qin Royale, Enchanté Crest and Wuhan Scenery Cove respectively for a term of 3 years from 1 January 2019 to 31 December 2021.

The principal terms of the 2019 Service Contracts are summarised below.

SERVICE CONTRACT I

The principal terms of Service Contract I are as follows:

Date	:	25 January 2019
Parties	:	(i) Jiahe Risheng; and (ii) Minmetals Properties Hunan
Subject matter	:	the provision of the following services by Minmetals Properties Hunan in respect of LOHAS International Community: (i) property management services for unsold residential units; (ii) preparation works for residential units to be delivered to buyers and follow up on repairment works of delivered residential units during rectification period; and (iii) provide services to and/or arrange for relationship activities for property owners.
Term of the contract	:	From 1 January 2019 to 31 December 2021

- Annual Cap Amounts :
- (i) For the period from 1 January 2019 to 31 December 2019: RMB2,400,000 (approximately HK\$2,856,000)
 - (ii) For the period from 1 January 2020 to 31 December 2020: RMB872,000 (approximately HK\$1,037,680)
 - (iii) For the period from 1 January 2021 to 31 December 2021: RMB384,000 (approximately HK\$456,960)

The service fees will be payable in cash with respect to the services provided by Minmetals Properties Hunan upon receipt of the relevant mutually agreed invoice from Minmetals Properties Hunan. The annual fees payable by Jiahe Risheng in respect of Service Contract I shall not exceed the respective Annual Cap Amounts.

The terms of Service Contract I have been agreed by the parties after arm's length negotiation and are on normal commercial terms. The Annual Cap Amounts for the years 2019 to 2021 are determined with reference to the services as stipulated in Service Contract I.

SERVICE CONTRACT II

The principal terms of Service Contract II are as follows:

- Date : 25 January 2019
- Parties : (i) Zhongrun Chengzhen; and
(ii) Minmetals Properties Hunan
- Subject matter : the provision of the following services by Minmetals Properties Hunan in respect of Scotland Town:
- (i) property management services for unsold residential units; and
 - (ii) follow up on repairment works of delivered residential units during rectification period.
- Term of the contract : From 1 January 2019 to 31 December 2021
- Annual Cap Amounts :
- (i) For the period from 1 January 2019 to 31 December 2019: RMB1,020,000 (approximately HK\$1,213,800)
 - (ii) For the period from 1 January 2020 to 31 December 2020: RMB370,000 (approximately HK\$440,300)
 - (iii) For the period from 1 January 2021 to 31 December 2021: RMB225,000 (approximately HK\$267,750)

The service fees will be payable in cash with respect to the services provided by Minmetals Properties Hunan upon receipt of the relevant mutually agreed invoice from Minmetals Properties Hunan. The annual fees payable by Zhongrun Chengzhen in respect of Service

Contract II shall not exceed the respective Annual Cap Amounts.

The terms of Service Contract II have been agreed by the parties after arm's length negotiation and are on normal commercial terms. The Annual Cap Amounts for the years 2019 to 2021 are determined with reference to the services as stipulated in Service Contract II.

SERVICE CONTRACT III

The principal terms of Service Contract III are as follows:

- Date : 25 January 2019
- Parties : (i) Hunan Kuangdai; and
(ii) Minmetals Properties Hunan
- Subject matter : the provision of the following services by Minmetals Properties Hunan in respect of Qin Royale:
- (i) property management services for unsold residential units, sales office, show flats and commercial units;
 - (ii) preparation works for residential units to be delivered to buyers; and
 - (iii) provide services to and/or arrange for relationship activities for property owners.
- Term of the contract : From 1 January 2019 to 31 December 2021
- Annual Cap Amounts : (i) For the period from 1 January 2019 to 31 December 2019:
RMB11,287,267 (approximately HK\$13,431,848)
- (ii) For the period from 1 January 2020 to 31 December 2020:
RMB9,067,485 (approximately HK\$10,790,307)
- (iii) For the period from 1 January 2021 to 31 December 2021:
RMB8,921,645 (approximately HK\$10,616,758)

The service fees will be payable in cash with respect to the services provided by Minmetals Properties Hunan upon receipt of the relevant mutually agreed invoice from Minmetals Properties Hunan. The annual fees payable by Hunan Kuangdai in respect of Service Contract III shall not exceed the respective Annual Cap Amounts.

The terms of Service Contract III have been agreed by the parties after arm's length negotiation and are on normal commercial terms. The Annual Cap Amounts for the years 2019 to 2021 are determined with reference to the services as stipulated in Service Contract III.

SERVICE CONTRACT IV

The principal terms of Service Contract IV are as follows:

- Date : 25 January 2019
- Parties : (i) Minmetals Land Wuhan; and
(ii) Minmetals Properties Hunan
- Subject matter : the provision of the following services by Minmetals Properties Hunan in respect of Enchanté Crest:
- (i) property management services for unsold residential units, sales office and show flats;
 - (ii) preparation works for residential units to be delivered to buyers; and
 - (iii) provide services to and/or arrange for relationship activities for property owners.
- Term of the contract : From 1 January 2019 to 31 December 2021
- Annual Cap Amounts : (i) For the period from 1 January 2019 to 31 December 2019: RMB3,790,000 (approximately HK\$4,510,100)
- (ii) For the period from 1 January 2020 to 31 December 2020: RMB4,559,030 (approximately HK\$5,425,246)
- (iii) For the period from 1 January 2021 to 31 December 2021: RMB2,557,246 (approximately HK\$3,043,123)

The service fees will be payable in cash with respect to the services provided by Minmetals Properties Hunan upon receipt of the relevant mutually agreed invoice from Minmetals Properties Hunan. The annual fees payable by Minmetals Land Wuhan in respect of Service Contract IV shall not exceed the respective Annual Cap Amounts.

The terms of Service Contract IV have been agreed by the parties after arm's length negotiation and are on normal commercial terms. The Annual Cap Amounts for the years 2019 to 2021 are determined with reference to the services as stipulated in Service Contract IV.

SERVICE CONTRACT V

The principal terms of Service Contract V are as follows:

- Date : 25 January 2019
- Parties : (i) Wuhan Runling; and
(ii) Minmetals Properties Hunan

- Subject matter : the provision of the following services by Minmetals Properties Hunan in respect of Wuhan Scenery Cove:
- (i) property management services for unsold residential units, sales office and show flats;
 - (ii) preparation works for residential units to be delivered to buyers; and
 - (iii) provide services to and/or arrange for relationship activities for property owners.
- Term of the contract : From 1 January 2019 to 31 December 2021
- Annual Cap Amounts :
- (i) For the period from 1 January 2019 to 31 December 2019: RMB3,060,000 (approximately HK\$3,641,400)
 - (ii) For the period from 1 January 2020 to 31 December 2020: RMB3,252,930 (approximately HK\$3,870,987)
 - (iii) For the period from 1 January 2021 to 31 December 2021: RMB5,719,929 (approximately HK\$6,806,716)

The service fees will be payable in cash with respect to the services provided by Minmetals Properties Hunan upon receipt of the relevant mutually agreed invoice from Minmetals Properties Hunan. The annual fees payable by Wuhan Runling in respect of Service Contract V shall not exceed the respective Annual Cap Amounts.

The terms of Service Contract V have been agreed by the parties after arm's length negotiation and are on normal commercial terms. The Annual Cap Amounts for the years 2019 to 2021 are determined with reference to the services as stipulated in Service Contract V.

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2019 SERVICE CONTRACTS

Minmetals Properties Hunan is classified as Class I property management corporation by the relevant government authority in the PRC and has obtained ISO 9001 and ISO 14001 certifications. Minmetals Properties Hunan has provided management services for high-rise residential units, villas, commercial and office buildings and clubhouses in various cities in the PRC.

Given the qualifications and experience of Minmetals Properties Hunan and the services provided by Minmetals Properties Hunan to LOHAS International Community and Scotland Town under the 2017 Service Contracts, the Company would like to continue to engage Minmetals Properties Hunan to provide property management services to the two projects upon expiration of the 2017 Service Contracts and for its other real estate development projects in the Central China area.

The Directors (including independent non-executive Directors) consider that the terms of the 2019 Service Contracts are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business of the Group and in the interest of the Company and

the Shareholders as a whole. No Director has a material interest in the transactions contemplated under the 2019 Service Contracts nor is required to abstain from voting on the board resolutions approving the Transactions.

INFORMATION ON THE PARTIES

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

Jiahe Risheng is a wholly-owned subsidiary of the Company and is principally engaged in the development of LOHAS International Community in Changsha, Hunan Province, the PRC.

Zhongrun Chengzhen is a wholly-owned subsidiary of the Company and is principally engaged in the development of Scotland Town in Changsha, Hunan Province, the PRC.

Hunan Kuangdai is a wholly-owned subsidiary of the Company and is principally engaged in the development of Qin Royale in Changsha, Hunan Province, the PRC.

Minmetals Land Wuhan is a wholly-owned subsidiary of the Company and is principally engaged in the development of Enchanté Crest in Wuhan, Hubei Province, the PRC.

Wuhan Runling is a wholly-owned subsidiary of the Company and is principally engaged in the development of Wuhan Scenery Cove in Wuhan, Hubei Province, the PRC.

Minmetals Properties Hunan is an indirect non-wholly owned subsidiary of China Minmetals and is principally engaged in property management and consultation, property agency service, property leasing, cleaning service, and sale of hotel supplies, construction materials and daily supplies.

LISTING RULES IMPLICATIONS

Minmetals Properties Hunan is an indirect non-wholly owned subsidiary of China Minmetals which is the ultimate controlling shareholder of the Company indirectly interested in approximately 61.88% of the issued share capital of the Company as at the date of this announcement. Accordingly, Minmetals Properties Hunan is a connected person of the Company and the Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As all of the applicable percentage ratios in respect of the Annual Cap Amounts under the 2019 Service Contracts are less than 5%, the Transactions constitute continuing connected transactions for the Company subject to announcement and reporting requirements but are exempt from the circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.71 of the Listing Rules, details of the 2019 Service Contracts will be included in the next 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 eight Directors, namely Mr. He Jianbo as the Chairman 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.

DEFINITIONS

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

“2017 Service Contracts”	the property management service contracts dated 22 December 2016 entered into between each of Jiahe Risheng and Zhongrun Chengzhen with Minmetals Properties Hunan in relation to the provision of property management services by Minmetals Properties Hunan to LOHAS International Community and Scotland Town respectively for the period from 1 January 2017 to 31 December 2018;
“2019 Service Contracts”	Service Contract I, Service Contract II, Service Contract III, Service Contract IV and Service Contract V;
“Annual Cap Amount(s)”	the maximum amount of service fees to be paid by each of Jiahe Risheng, Zhongrun Chengzhen, Hunan Kuangdai, Minmetals Land Wuhan and Wuhan Runling to Minmetals Properties Hunan under the 2019 Service Contracts for each of the three years ending 31 December 2019, 31 December 2020 and 31 December 2021;
“Board”	the board of Directors;
“China Minmetals”	China Minmetals Corporation, a state-owned enterprise established under the laws of the PRC and the ultimate controlling shareholder of the Company which is indirectly interested in approximately 61.88% of the 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 issued shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited;
“connected person”, “controlling shareholder” and “subsidiary”	each has the same meaning as ascribed to it under the Listing Rules;
“Director(s)”	the director(s) (including independent non-executive directors) of the Company;

“Enchanté Crest”	Enchanté Crest, a real estate development project undertaken by Minmetals Land Wuhan, situated in Wuhan, Hubei Province, the PRC;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Hunan Kuangdai”	湖南曠代房地產開發有限公司 (Hunan Kuangdai Property Development Co., Ltd.*), a company established under the laws of the PRC and a wholly-owned subsidiary of the Company;
“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 company established under the laws of the PRC and a wholly-owned subsidiary of the Company;
“LOHAS International Community”	LOHAS International Community, a real estate development project undertaken by Jiahe Risheng, situated in Changsha, Hunan Province, the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Minmetals Properties Hunan”	五礦物業服務(湖南)有限公司 (Minmetals Properties Service (Hunan) Co., Ltd.*) (formerly known as 湖南嘉盛物業服務有限公司 Hunan Jiasheng Properties Service Co., Ltd.*), a company established under the laws of the PRC and an indirect non-wholly owned subsidiary of China Minmetals;
“Minmetals Land Wuhan”	五礦地產(武漢)開發有限公司 (Minmetals Land (Wuhan) Development Co., Ltd.*), a company established under the laws of the PRC 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);
“Qin Royale”	Qin Royale, a residential and commercial development project undertaken by Hunan Kuangdai, situated in Changsha, Hunan Province, the PRC;
“RMB”	Renminbi, the lawful currency of the PRC;

“Scotland Town”	Scotland Town, a real estate development project undertaken by Zhongrun Chengzhen, situated in Changsha, Hunan Province, the PRC;
“Service Contract I”	the property management service contract entered into between Jiahe Risheng and Minmetals Properties Hunan on 25 January 2019;
“Service Contract II”	the property management service contract entered into between Zhongrun Chengzhen and Minmetals Properties Hunan on 25 January 2019;
“Service Contract III”	the property management service contract entered into between Hunan Kuangdai and Minmetals Properties Hunan on 25 January 2019;
“Service Contract IV”	the property management service contract entered into between Minmetals Land Wuhan and Minmetals Properties Hunan on 25 January 2019;
“Service Contract V”	the property management service contract entered into between Wuhan Runling and Minmetals Properties Hunan on 25 January 2019;
“Shareholder(s)”	holder(s) of ordinary share(s) of HK\$0.10 each in the issued share capital of the Company;
“Transactions”	the provision of property management services by Minmetals Properties Hunan to each of Jiahe Risheng, Zhongrun Chengzhen, Hunan Kuangdai, Minmetals Land Wuhan and Wuhan Runling as contemplated under the 2019 Service Contracts;
“Wuhan Runling”	武漢潤領房地產開發有限公司 (Wuhan Runling Property Development Co., Ltd.*), a company established under the laws of the PRC and a wholly-owned subsidiary of the Company;
“Wuhan Scenery Cove”	Wuhan Scenery Cove, a real estate development project undertaken by Wuhan Runling, situated in Wuhan, Hubei Province, the PRC;
“Zhongrun Chengzhen”	湖南中潤城鎮置業有限公司 (Hunan Zhongrun Chengzhen Real Estate Co., Ltd.*), a company established under the laws of the PRC and a wholly-owned subsidiary of the Company; and
“%”	percentage.

For the purpose of illustration only and unless otherwise stated, conversions of Renminbi into Hong Kong dollars in this announcement is calculated at the exchange rate of RMB1.00 to HK\$1.19. 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

Chairman

Hong Kong, 25 January 2019

* *For identification purpose only*