

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



五礦地產有限公司 **MINMETALS LAND LIMITED**

(Incorporated in Bermuda with limited liability)

(Stock Code: 230)

CLARIFICATION ANNOUNCEMENT

Lease of office premises

Reference is made to the announcement (the “Announcement”) of Minmetals Land Limited (the “Company”) dated 30 September 2019 relating to the Company’s continuing connected transaction in relation to the Tenancy Agreement. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, on 30 September 2019, Minmetals Land Beijing (as tenant) entered into the Tenancy Agreement with Fifth Plaza Co (as landlord), pursuant to which Minmetals Land Beijing agreed to lease from Fifth Plaza Co the Premises and the Car Parking Spaces, with a term from 1 October 2019 to 30 September 2022. As further disclosed in the Announcement, the entering into of the Tenancy Agreement and the transactions contemplated thereunder (i.e. the Transaction) constituted continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

The Board wishes to clarify that, based on the latest applicable financial reporting standards, the Transaction should instead be classified as a one-off connected transaction for the Company.

The Hong Kong Financial Reporting Standards (the “HKFRS”) 16 “Leases” issued by the Hong Kong Institute of Certified Public Accountants, which forms part of the financial reporting standards applicable to the Group, came into effect on 1 January 2019. According to this newly-implemented HKFRS 16, the Group, as the lessee, shall recognise a lease as a right-of-use asset and a lease liability in the consolidated statement of financial position of the Group. As such, the Transaction should be regarded as an acquisition of asset under the definition of transaction set out in Rule 14.04(1)(a) of the Listing Rules. The value of the right-of-use asset recognised under the Transaction is RMB9,784,077 (approximately HK\$11,194,000) (the “Value of the Right-of-use Asset”). The amount of lease liability recognised under the Transaction shall be the same as the Value of the Right-of-use Asset recognised. The Value of the Right-of-use Asset will be amortised over the lease period.

As the highest applicable ratio for the Value of the Right-of-use Asset in respect of the connected transaction contemplated under the Transaction exceeds 0.1% but is less than 5%, the Transaction remains to be subject only to the reporting and announcement requirements but

exempt from circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Save as the information stated above, all the information in the Announcement remains unchanged.

For the purpose of illustration only and unless otherwise stated, conversion of RMB to Hong Kong dollars in this announcement is calculated at the exchange rate of RMB1.00 to HK\$1.1441. Such conversion rate 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, 14 October 2019

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.