

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)

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
IN RESPECT OF 2020 TO 2023**

Reference is made to the 2017 Circular in relation to the 2017 Construction Agreement entered into between the Company and China Minmetals, pursuant to which, the Group may appoint member(s) of the China Minmetals Group as construction contractor(s) for the Group's real estate development projects in Mainland China and Hong Kong, subject to successful tender.

Reference is also made to the 2018 Circular in relation to the revision of the annual caps in respect of the 2017 Construction Agreement.

The 2017 Construction Agreement shall expire on 18 April 2020. As the Company intends to continue to invite member(s) of the China Minmetals Group to place tenders for its construction contract(s) in Mainland China and Hong Kong and subject to successful tender, to appoint them as construction contractor(s) for the Group's real estate development projects in Mainland China and Hong Kong, on 17 April 2020, the Company entered into the 2020 Construction Agreement with China Minmetals which is conditional upon the approval of the Independent Shareholders at the SGM in respect of the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

The Proposed Annual Caps for the Continuing Connected Transactions for the periods from 19 April 2020 to 31 December 2020, 1 January 2021 to 31 December 2021, 1 January 2022 to 31 December 2022 and 1 January 2023 to 18 April 2023 are RMB3,921.05 million (approximately HK\$4,317.86 million), RMB3,693.15 million (approximately HK\$4,066.90 million), RMB5,401.96 million (approximately HK\$5,948.64 million) and RMB1,657.57 million (approximately HK\$1,825.32 million), respectively.

June Glory (the immediate controlling shareholder of the Company) is an indirect non-wholly owned subsidiary of China Minmetals and accordingly, China Minmetals is a connected person of the Company under the Listing Rules.

Since the Proposed Annual Caps exceed HK\$10,000,000 and all of the relevant percentage ratios are, on an annual basis, more than 5%, the Continuing Connected Transactions

constitute non-exempt continuing connected transactions for the Company under Rule 14A.31 of the Listing Rules and are subject to reporting, announcement, independent shareholders' approval and annual review requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee has been formed to advise the Independent Shareholders in connection with the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps). The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

The Company will convene the SGM to seek the Independent Shareholders' approval for the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

A circular containing, among others, (i) details of the 2020 Construction Agreement, the Continuing Connected Transactions and the Proposed Annual Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders in respect of the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps); (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps); and (iv) a notice convening the SGM, will be despatched to the Shareholders on or before 12 May 2020.

Background of the Continuing Connected Transactions

Reference is made to the 2017 Circular in relation to the 2017 Construction Agreement entered into between the Company and China Minmetals, pursuant to which, the Group may appoint member(s) of the China Minmetals Group as construction contractor(s) for the Group's real estate development projects in Mainland China and Hong Kong, subject to successful tender.

Reference is also made to the 2018 Circular in relation to the revision of the annual caps in respect of the 2017 Construction Agreement.

The 2017 Construction Agreement shall expire on 18 April 2020. As the Company intends to continue to invite member(s) of the China Minmetals Group to place tenders for its construction contract(s) in Mainland China and Hong Kong and subject to successful tender, to appoint them as construction contractor(s) for the Group's real estate development projects in Mainland China and Hong Kong, on 17 April 2020, the Company entered into the 2020 Construction Agreement with China Minmetals which is conditional upon the approval of the Independent Shareholders at the SGM in respect of the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

The 2020 Construction Agreement

Date : 17 April 2020

- Parties : (i) the Company
(ii) China Minmetals
- Term : Three years commencing from 19 April 2020 to 18 April 2023
- Subject matter : The Group may from time to time invite member(s) of the China Minmetals Group to tender for construction contract(s) in Mainland China and Hong Kong in accordance with the Group's tender procedure and general conditions offered to independent bidders (including general provisions for adjusting construction amounts due to, for example, changes to projects). Subject to successful tender, the Group shall engage the member(s) of the China Minmetals Group as construction contractor(s) in respect of existing and future real estate development projects (excluding the portions of the existing projects that had been tendered) of the Group in Mainland China and Hong Kong, provided that the total contract sums of the construction contract(s) to be awarded by the Group to member(s) of the China Minmetals Group during each of the three years from 19 April 2020 to 18 April 2023 shall not exceed the Proposed Annual Caps.
- Construction contract sum : The construction contract sum payable to member(s) of the China Minmetals Group as construction contractor(s) for the Group's real estate development projects in Mainland China and Hong Kong shall be determined through procedures of tenders in accordance with (i) the applicable rules and regulations of the locations where the construction projects are situated; and (ii) the nature of each construction project.
- Termination : The 2020 Construction Agreement shall expire on 18 April 2023 unless it is early terminated under any of the following circumstances:
- (i) mutual agreement among the parties;
 - (ii) if a party to the 2020 Construction Agreement has breached or failed to comply with the 2020 Construction Agreement or any construction contract in connection therewith and fails to rectify such breach or non-compliance within the prescribed period, the non-defaulting party may terminate the 2020 Construction Agreement by written notice; or
 - (iii) if a party to the 2020 Construction Agreement has committed a material breach of the 2020 Construction Agreement or any construction contract in connection therewith, the non-defaulting party may terminate the 2020 Construction Agreement.
- Undertakings by China Minmetals: Pursuant to the 2020 Construction Agreement, China Minmetals undertook in favour of the Company that it shall allow the Company's auditors to access the financial records of any member(s) of the China

Minmetals Group with construction contracts awarded by the Group and assist the Company to comply with the relevant requirements under Chapter 14A of the Listing Rules.

The existing annual caps and historical transaction amounts

As disclosed in the 2017 Circular and as revised in the 2018 Circular, the historical annual caps of the transactions contemplated under the 2017 Construction Agreement for the three years from 19 April 2017 to 18 April 2020 are set out in the table below:

	For the period from			
19 April 2017 to 31 December 2017	1 January 2018 to 31 December 2018	1 January 2019 to 31 December 2019	1 January 2020 to 18 April 2020	
RMB2,000.00 million (approximately HK\$2,202.40 million)	RMB6,085.49 million (approximately HK\$6,701.34 million)	RMB3,711.28 million (approximately HK\$4,086.86 million)	RMB2,798.02 million (approximately HK\$3,081.18 million)	

The amounts of the Group's construction contracts awarded to members of the China Minmetals Group for the period from 19 April 2017 to the date of this announcement are set out in the table below:

	For the period from			
19 April 2017 to 31 December 2017	1 January 2018 to 31 December 2018	1 January 2019 to 31 December 2019	1 January 2020 to the date of this announcement	
RMB1,074.10 million (approximately HK\$1,182.80 million)	RMB1,659.80 million (approximately HK\$1,827.77 million)	RMB798.86 million (approximately HK\$879.70 million)	RMB193.45 million (approximately HK\$213.03 million)	

Proposed Annual Caps

Having considered the relevant factors, including the estimated amount of construction contracts for the Group's existing and potential real estate development projects in Mainland China and Hong Kong, the likelihood of member(s) of the China Minmetals Group to participate in the project tender, the estimated scope of construction works in respect of the Group's real estate development projects, the estimated relevant construction price on a per square metre basis and the expected progress of the construction works, the Company estimates that the total contract sums of the Group's construction contracts which may be awarded to member(s) of the China Minmetals Group under the Continuing Connected Transactions for the periods from 19 April 2020 to 31 December 2020, 1 January 2021 to 31 December 2021, 1 January 2022 to 31 December 2022 and 1 January 2023 to 18 April 2023 will not exceed the proposed annual caps below:

For the period from			
19 April 2020 to 31 December 2020	1 January 2021 to 31 December 2021	1 January 2022 to 31 December 2022	1 January 2023 to 18 April 2023
RMB3,921.05 million (approximately HK\$4,317.86 million)	RMB3,693.15 million (approximately HK\$4,066.90 million)	RMB5,401.96 million (approximately HK\$5,948.64 million)	RMB1,657.57 million (approximately HK\$1,825.32 million)

Shareholders should note that the Proposed Annual Caps represent the best estimates by the Group based on the information currently available (including types of the property to be constructed, development schedule and prevailing market conditions) and, in particular, the estimated amount of construction contracts for the Group's existing and potential real estate development projects in Mainland China and Hong Kong and should not be construed as the actual amount of construction contracts that the Group may award to member(s) of the China Minmetals Group during the three years from 19 April 2020 to 18 April 2023. The Proposed Annual Caps have no direct relationship to, nor should be taken to have any direct bearing on, the Group's financial or potential financial performance. The Group may or may not appoint member(s) of the China Minmetals Group as construction contractor(s) in relation to future tenders for the Group's real estate development projects in Mainland China and Hong Kong, or if appointed, to take up construction works up to the level of the Proposed Annual Caps.

Under typical construction contracts awarded by the Group to its construction contractors, the construction contract sum will be payable with respect to specific work stages or milestones achieved in various aspects of work. In general, an aggregate of 85% of the total construction contract sum will be paid up by the time of completion of works, and the remaining 15% of the total construction contract sum will be payable according to a payment schedule and will be fully paid up in one month after the expiry of the defect liability period.

Reasons for and benefits of the Continuing Connected Transactions

Since July 2007, 23rd Metallurgical (being a non-wholly owned subsidiary of China Minmetals) has been appointed, based on successful tender, as construction contractor for the Group's real estate development projects in Mainland China. Commencing from April 2017, the Company has extend its offer to other members of the China Minmetals Group which possess class I qualifications in building construction to place tenders for its construction contract(s) in Mainland China and Hong Kong and subject to successful tender, to appoint them as construction contractor(s) for the Group's real estate development projects.

Based on the long-standing working relationship with members of the China Minmetals Group, the Group is satisfied with their competence as construction contractor for the Group's real estate development projects. The Group is benefited from the China Minmetals Group's better understanding of the Group's operations which will allow a more expedient and reliable service than those rendered by other construction companies. Accordingly, the Company intends to continue to invite member(s) of the China Minmetals Group to place tenders for its construction contracts.

As the Group's real estate development business continues to grow in Mainland China and Hong Kong, it is anticipated that the Group will, in the coming few years, actively invite tenders for construction works relating to its real estate development projects.

The main purpose of the entering into of the 2020 Construction Agreement and the Continuing Connected Transactions is to avoid undue delay in the construction progress of the relevant projects which will otherwise have to seek the approval of Independent Shareholders in a special general meeting for each specific instance. The appointment of member(s) of the China Minmetals Group as construction contractor(s) for the Group's real estate development projects is subject to successful tender(s) in competitive tendering process(es) governed by the relevant rules and regulations in Mainland China and Hong Kong.

Information about the Company and China Minmetals

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

China Minmetals is a state-owned enterprise in the PRC principally engaged in the business of exploration, mining, smelting, processing and trading for metals and minerals as well as finance, real estate development, and mining and metallurgic technology.

Listing Rules implications

June Glory (the immediate controlling shareholder of the Company) is an indirect non-wholly owned subsidiary of China Minmetals and accordingly, China Minmetals is a connected person of the Company under the Listing Rules.

Since the Proposed Annual Caps exceed HK\$10,000,000 and all of the relevant percentage ratios are, on an annual basis, more than 5%, the Continuing Connected Transactions constitute non-exempt continuing connected transactions for the Company under Rule 14A.31 of the Listing Rules and are subject to reporting, announcement, independent shareholders' approval and annual review requirements under Chapter 14A of the Listing Rules.

The Directors (other than the independent non-executive Directors whose view will be formed after considering the advice from the Independent Financial Adviser) consider that the terms and conditions of the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Company will comply with the provisions of Chapter 14A of the Listing Rules in relation to the Continuing Connected Transactions for the three years from 19 April 2020 to 18 April 2023, including disclosing in the circular further information thereof, seeking Independent Shareholders' approval for the Continuing Connected Transactions and the Proposed Annual Caps.

If there is a material change to the terms of the 2020 Construction Agreement, or if any of the Proposed Annual Caps is exceeded, the Company will re-comply with Rule 14A.54 of the Listing Rules.

SGM

An Independent Board Committee comprising all the independent non-executive Directors has been formed to consider the terms of the 2020 Construction Agreement, the Continuing Connected Transactions and the Proposed Annual Caps. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders, inter alia, whether Independent Shareholders should vote in favour of the resolution regarding the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps).

A circular containing, among others, (i) details of the 2020 Construction Agreement, the Continuing Connected Transactions and the Proposed Annual Caps, (ii) a letter from the Independent Board Committee to the Independent Shareholders in respect of the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps), (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps) and (iv) a notice convening the SGM, will be despatched to the Shareholders on or before 12 May 2020.

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 Bo, 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 shall have the respective meanings set opposite thereto:

“2017 Circular”	the circular dated 12 May 2017 issued by the Company in respect of the 2017 Construction Agreement
“2018 Circular”	the circular dated 14 May 2018 issued by the Company in respect of the revision of annual caps under the 2017 Construction Agreement
“2017 Construction Agreement”	the agreement dated 19 April 2017 entered into between the Company and China Minmetals in relation to the engagement of member(s) of the China Minmetals Group as construction contractor(s) (subject to successful tender) in respect of the existing and future real estate development projects of the Group in Mainland China and Hong Kong for the three years from 19 April 2017 to 18 April 2020

“2020 Construction Agreement”	the agreement dated 17 April 2020 entered into between the Company and China Minmetals in relation to the engagement of member(s) of the China Minmetals Group as construction contractor(s) (subject to successful tender) in respect of the existing and future real estate development projects of the Group in Mainland China and Hong Kong for the three years from 19 April 2020 to 18 April 2023
“23rd Metallurgical”	五礦二十三冶建設集團有限公司 The 23rd Metallurgical Construction Group Co., Ltd. of Minmetals*, a company established under the laws of the PRC with limited liability and a non-wholly owned subsidiary of China Minmetals
“associate(s)”, “connected person”, “controlling shareholder” and “subsidiary”	each shall have the meaning ascribed to it under the Listing Rules
“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 as at the date of this announcement
“China Minmetals Group”	China Minmetals and its subsidiaries
“Company”	Minmetals Land Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Continuing Connected Transactions”	the continuing connected transactions that may be entered into between the Company and China Minmetals pursuant to the terms of the 2020 Construction Agreement, details of which are referred to under the section headed “The 2020 Construction Agreement” in this announcement
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors, which has been formed by the Board to advise the Independent Shareholders in respect of the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps)
“Independent Financial Adviser”	Yue Xiu Capital Limited, appointed by the Company as independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps)
“Independent Shareholder(s)”	Shareholder(s) other than June Glory and its associates, and any Shareholder who has a material interest in the Continuing Connected Transactions
“June Glory”	June Glory International Limited, a company incorporated in the British Virgin Islands with limited liability, and the immediate controlling shareholder of the Company holding approximately 61.88% of the Shares as at the date of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Mainland China” or “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)
“Proposed Annual Cap(s)”	the proposed annual caps for the Continuing Connected Transactions for the three years from 19 April 2020 to 18 April 2023 as set out in the section headed “The 2020 Construction Agreement” in this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“SGM”	a special general meeting of the Company to be convened to consider and approve the 2020 Construction Agreement and the Continuing Connected Transactions (including the Proposed Annual Caps)

“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holders of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board

He Jianbo

Chairman

Hong Kong, 17 April 2020

For the purpose of illustration only and unless otherwise stated, conversion of Renminbi into Hong Kong dollars in this announcement is calculated at the exchange rate of RMB1.00 to HK\$1.1012. 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.

** For identification purpose only*