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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

**CONSTRUCTION COSTING CONSULTATION
FRAMEWORK AGREEMENT**

FRAMEWORK AGREEMENT

The Board announces that on 28 April 2020, the Company entered into the Framework Agreement with CERI, pursuant to which the Company may engage CERI to provide audit review over the budgets or final accounts of the Company's real estate development projects, and CERI may accept such engagement during a term of three years commencing on 28 April 2020.

LISTING RULES IMPLICATIONS

CERI is an indirect non-wholly owned subsidiary of China Minmetals, which in turn 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, CERI is a connected person of the Company under the Listing Rules and the transactions contemplated under the Framework Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Since the highest relevant percentage ratio in respect of the annual cap of the engagement undertaken under the Framework Agreement is more than 0.1% but less than 5%, pursuant to Rule 14A.76(2) of the Listing Rules, the transactions contemplated under the Framework Agreement are subject to reporting and announcement requirements but exempt from circular (including independent financial advice) and independent shareholders' approval requirements.

FRAMEWORK AGREEMENT

Date

28 April 2020

Parties

1. The Company
2. CERI

CERI is an indirect non-wholly owned subsidiary of China Minmetals, the ultimate controlling shareholder of the Company, and is therefore a connected person of the Company under the Listing Rules.

Duration

The Framework Agreement shall have a term of 3 years commencing from 28 April 2020.

Services to be provided

Pursuant to the Framework Agreement, the Company may at its discretion engage CERI to provide audit review over the budgets or final accounts of the Company's real estate development projects (the "**Services**"), and CERI may accept such engagement from time to time during the term of the Framework Agreement, in which case the parties shall enter into separate individual contracts.

Consideration and payment terms

The service fee (the "**Service Fee(s)**") payable by the Company to CERI in respect of an individual engagement comprise of a basic fee (the "**Basic Fee(s)**") ranging from 1% to 1.3% of the amount submitted for review in respect of the relevant budgets or final accounts and an adjustment fee (the "**Adjustment Fee(s)**") ranging from 2% to 4% of the adjustment made in the initial review in respect of the relevant budgets or final accounts, payable as follows:

- (i) 50% of the Basic Fees within 15 business days after the preliminary audit report is confirmed by the Company;
- (ii) the remaining 50% of the Basic Fees within 15 business days after the proposed adjustments are verified by the relevant contractor and confirmed by the Company; and
- (iii) the Adjustment Fees within 15 business days after the final audit report in respect of the engagement is approved by the Company.

CERI was selected as one of the eight successful tenderers who may provide the Services to the Group in an open tender initiated by the Company based on, among other factors, the scale of operation of the tenderers and their proposed terms offered to the Group, including fees chargeable and payment terms compared to the prevailing market terms for the provision of similar services. The settlement of the Service Fees will be financed by the Company's internal

resources. The Board considered the rate of Service Fees proposed by CERI to be comparable to those proposed by other tenderers selected in the open tender and is fair and reasonable.

PROPOSED ANNUAL CAPS

The proposed annual caps (the “**Proposed Annual Caps**”) set for the Services are as follows:

For the period from 28 April 2020 to 31 December 2020	For the year ending 31 December 2021	For the year ending 31 December 2022	For the period from 1 January 2023 to 27 April 2023
RMB 4.50 million (approximately HK\$4.96 million)	RMB 9.75 million (approximately HK\$10.74 million)	RMB 12.75 million (approximately HK\$14.04 million)	RMB 3.00 million (approximately HK\$3.30 million)

The Proposed Annual Caps are determined principally by reference to the possible number of real estate development projects that may be undertaken by the Group during the term of the Framework Agreement having regard to the potential and need to give room for growth in the Group’s operations and the fees likely to be chargeable for all such projects. The Company may or may not engage CERI to provide the Services for its real estate development projects or, if CERI is engaged, to provide the Services up to the level of the Proposed Annual Caps.

Shareholders should note that the Proposed Annual Caps should not be construed as an assurance or forecast by the Company of the future revenues of the Group.

REASONS FOR AND BENEFITS OF ENTERING INTO THE FRAMEWORK AGREEMENT

As the Company’s real estate development business continues to grow, it is anticipated that the Company will, in the coming years, actively procure the Services for its existing and new real estate development projects. CERI, a professional consultancy firm with proven track record, was selected as one of the eight successful tenderers to provide the Services by way of an open tender. The Company is expecting to benefit from CERI’s reliable professional service for its growing business.

The Directors (including independent non-executive Directors) are of the view that the Framework Agreement was entered into in the ordinary and usual course of business of the Company, and that the terms of the Framework Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the interest of the Company and the Shareholders as a whole. No Director has a material interest in the Framework Agreement and the transactions contemplated thereunder nor is required to abstain from voting on the Board resolution approving the same.

INTERNAL CONTROL PROCEDURES AND RISK MANAGEMENT MEASURES

In order to safeguard the interests of the Shareholders, the Group will adopt, and/or will procure CERI to maintain, the following guidelines and principles in monitoring the transactions between the Company and CERI contemplated under the Framework Agreement and the Proposed Annual Caps:

- (i) the arrangement between the Company and CERI under the Framework Agreement and the Proposed Annual Caps is non-exclusive, and the Company has established a working relationship with multiple professional firms and has a discretion in selecting amongst the other successful tenderers selected in the open tender to provide the Services as and when required by the Company;
- (ii) specifically designated personnel from the Company will be responsible for monitoring the transactions contemplated under the Framework Agreement and the Proposed Annual Caps and will ensure that the underlying transactions are conducted in accordance with the terms of the Framework Agreement and the respective agreements;
- (iii) pursuant to the terms of the Framework Agreement, if CERI breaches certain terms of a specific engagement, the Company may terminate such engagement unilaterally without being liable to pay for the Service Fees and claim for default payment;
- (iv) the Company's external auditors will conduct an annual review on the pricing and annual caps of the continuing connected transactions of the Company, including the transactions contemplated under the Framework Agreement;
- (v) the independent non-executive Directors will conduct an annual review of the implementation and enforcement of the continuing connected transactions of the Company, including the transactions contemplated under the Framework Agreement and the Proposed Annual Caps on an annual basis; and
- (vi) the Company will review the transactions contemplated under the Framework Agreement and the Proposed Annual Caps on an annual basis, summarise the experience and improve on any inadequacies.

INFORMATION OF THE COMPANY AND CERI

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

CERI is a limited company established in the PRC and an indirect non-wholly owned subsidiary of China Minmetals. It is principally engaged in the business of engineering consultation, engineering contracting, engineering design and engineering project management.

LISTING RULES IMPLICATIONS

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DEFINITIONS

In this announcement, the following expressions shall have the respective meanings set opposite thereto:

“Board”	the board of Directors;
“CERI”	中冶京誠工程技術有限公司 Capital Engineering & Research Incorporation Ltd.*, a limited company established under the laws of the PRC and an indirect non-wholly owned subsidiary of China Minmetals;
“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, the issued shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”, “controlling shareholder” and “subsidiary”	each shall have the same meaning as ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Framework Agreement”	the Construction Costing Consultation Framework Agreement dated 28 April 2020 and entered into between the Company and CERI;
“Group”	the Company and its subsidiaries;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;
“PRC”	the People’s Republic of China (for the purpose of this announcement, shall exclude Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan);
“RMB”	Renminbi, the lawful currency of the PRC;
“Services”	undertaking to provide such services as described in the paragraph headed “ <i>Framework Agreement – Services to be provided</i> ” in this announcement;
“Shares”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

For the purpose of illustration only and unless otherwise stated, conversion of Renminbi into Hong Kong dollars in this announcement is based on 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.

By order of the Board
He Jianbo
Chairman

Hong Kong, 28 April 2020

As at the date of this announcement, the board of directors of the Company 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.

* *For identification purpose only*