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華潤置地有限公司
China Resources Land Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1109)

CONNECTED TRANSACTION
COOPERATION AGREEMENT IN RELATION TO
THE ESTABLISHMENT OF THE FUND

The Board is pleased to announce that on 4 February 2016, CR Shenzhen, an indirect wholly-owned subsidiary of the Company, CR Trust, Mr. Ng, Ms. Ng, SFL and SFW entered into the Cooperation Agreement in respect of, among other things the establishment of the Fund and the development of the Target Project through the Fund.

The Fund will be initially funded by a capital contribution of RMB10,000 from SPV as general partner. The total initial funding of LP Shares is expected to be RMB4,798 million. The LP Shares in the Fund are classified into three categories:

- (i) Institutional investors (including but not limited to financial institutions) will contribute RMB4,000 million for the subscription of Class A LP Shares;
- (ii) CR Shenzhen (or its designated entity) will contribute RMB173 million and CR Trust (or its designated entity) will contribute RMB115 million for the joint subscription of Class B LP Shares;
- (iii) Mr. Ng and Ms. Ng (or their designated entity) will contribute RMB510 million for the respective subscription of Class C1 LP Shares in the amount of RMB288 million and Class C2 LP Shares in the amount of RMB222 million.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, as (i) CRH is the controlling Shareholder of the Company and a wholly-owned subsidiary of CRC; and (ii) CRC beneficially owns 51% of the registered capital of CR Trust, therefore CR Trust is a connected person of the Company. Accordingly, the transaction in respect of the establishment of the Fund constitutes a connected transaction of the Company and is subject to the requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratios as defined under the Listing Rules in respect of the contribution from CR Shenzhen exceeds 0.1% but are less than 5%, the transaction is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from the independent shareholders' approval requirements.

The Board is pleased to announce that on 4 February 2016, CR Shenzhen, an indirect wholly-owned subsidiary of the Company, CR Trust, Mr. Ng, Ms. Ng, SFL and SFW entered into the Cooperation Agreement in respect of, among other things, the establishment of the Fund and the development of the Target Project through the Fund.

THE COOPERATION AGREEMENT

The principal terms of the Cooperation Agreement are as follows:

- Date : 4 February 2016
- Parties : (i) CR Shenzhen, an indirect wholly-owned subsidiary of the Company
- (ii) CR Trust
- (iii) Mr. Ng, Ms. Ng
- (iv) SFL
- (v) SFW

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, each of Mr. Ng, Ms. Ng, SFW and its ultimate beneficial owner(s) is a third party independent of the Company and its connected persons.

Fundraising for the Fund

The Fund will be initially funded by a capital contribution of RMB10,000 from the SPV as general partner. The total initial funding of LP Shares is expected to be RMB4,798 million. The LP Shares in the Fund are classified into three categories:

- (i) Institutional investors (including but not limited to financial institutions) will contribute RMB4,000 million for the subscription of Class A LP Shares;
- (ii) CR Shenzhen (or its designated entity) will contribute RMB173 million and CR Trust (or its designated entity) will contribute RMB115 million for the joint subscription of Class B LP Shares;
- (iii) Mr. Ng and Ms. Ng (or their designated entity) will jointly contribute RMB510 million for the respective subscription of Class C1 LP Shares in the amount of RMB288 million and Class C2 LP Shares in the amount of RMB222 million.

CR Shenzhen intends to finance the contribution to the Fund through internal resources of the Group.

The initial size of the Fund and the committed contribution of each party are calculated based on the expected price of the land parcel in the Target Project estimated by the parties and other related preliminary expenses amounting to RMB4,798 million. If the price of the land parcel is subsequently adjusted, their contributions shall be revised on a pro-rata basis in proportion to the original contribution of each party.

The Fund will not be consolidated into the consolidated financial statement of the Company as its subsidiary.

Management of the Fund

CR Shenzhen will appoint an officer to act as the representative of the Fund's managing partner. CR Trust will act as the investment manager of the Fund and provide to the Fund the services of its existing professional management team, and will be responsible for the fund raising, operation and the distribution of interests to and exit by the investors.

The boards of directors of the general partner of the Fund, namely, SPV, and SFL, will each comprise of 5 members, from whom 3 will be appointed by CR Shenzhen and 2 by Mr. Ng and Ms. Ng. A director appointed by CR Shenzhen will act as the chairman of the SPV.

Lock-up Period

None of the partners within the Class B LP or Class C LP shall be permitted, without an express written approval by the other two partners, to sell, bestow, make capital contribution for value, pledge or otherwise dispose of any share in the limited liability partnership of the Fund at any time prior to that sold area of the property for sale in the Target Project reaching 85% of the total saleable area of the property for sale (subject to the area referred to in the contract for sale). If at the time when the sold area of the property for sale in the Target Project reaches 85% of the total saleable area of the property for sale (subject to the area referred to in the contract for sale), and construction of the basement property of the Target Project has not yet been completed, none of the Class C LP partners shall be allowed to sell, bequeath, make capital contribution for value, pledge or otherwise dispose of any share in the limited liability partnership of the Fund, until the completion of construction of the entire basement property of the Target Project.

Right of First Refusal

Where a partner intends to sell its shares in the limited liability partnership to a third party, other limited liability partners shall have a right of first refusal to acquire such shares under the same terms and conditions. At the same time, no partners shall be allowed to transfer any of their shares in the limited liability partnership of the Fund to a competitor of CR Shenzhen.

A designated Class B LP by CR Shenzhen may transfer its holding in the limited liability partnership shares of the Fund to an affiliate designated by CR Shenzhen, and a designated Class B LP by CR Trust to transfer its holding in the limited liability partnership shares of the Fund to an affiliate designated related company by CR Trust, not being subject to restrictions under the Cooperation Agreement.

Breach

Where either party breaches the provision of the Cooperation Agreement or commits any other act of material breach, the non-breaching party shall have the right to transfer or otherwise dispose of the interests in the limited liability partnership of the Fund and cease to be subject to the Cooperation Agreement.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS UNDER THE COOPERATION AGREEMENT

The Group is principally engaged in the development and sale of developed properties, property investment and management, hotel operation as well as providing construction, renovation and other property development related services in the PRC. The Company is of the view that the Cooperation Agreement will enable the Company to grow and expand its scale of development in the real estate sector of the PRC.

The Directors (including the independent non-executive Directors) are of the view that the transactions contemplated under the Cooperation Agreement were entered into in the ordinary and usual course of business of the Company, on normal commercial terms or better the terms of which are fair and reasonable, and in the interests of the Group and the Shareholders as a whole. On the Board meeting held on 4 February 2016 for approving, among others, matters contemplated under the Cooperation Agreement, Mr. Yu Jian and Mr. Wei Bin had abstained from voting on the resolution for matters as contemplated under the Cooperation Agreement due to their respective positions in CR Trust as a supervisor and director. Save as disclosed, none of the other Directors have any material interest in matters as contemplated under the Cooperation Agreement.

INFORMATION ON THE GROUP, CR SHENZHEN, CR TRUST, SFL AND SFW

The Group is principally engaged in the development and sales of developed properties, property investment and management, hotel operation and provision of construction, renovation and other services related to property development.

CR Shenzhen is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. CR Shenzhen is principally engaged in development and operation of real estate.

CR Trust is a company established in the PRC with limited liability and 51% of its registered capital is held by CRC. CR Trust is a provider of comprehensive financial services.

SFL is a company established in Macau with limited liability and is principally engaged in conventions and exhibitions, property management, commercial real estate investment and operation business. The Company holds 49.9% of shares in SFL.

SFW is a company established in Macau with limited liability and is principally engaged in conventions and exhibitions, property management, commercial real estate investment and operation business.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, as (i) CRH is the controlling Shareholder of the Company and a wholly-owned subsidiary of CRC; and (ii) CRC beneficially owns 51% of the registered capital of CR Trust, therefore CR Trust is a connected person of the Company. Accordingly, the transaction in respect of the establishment of the Fund constitutes a connected transaction of the Company and is subject to the requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratios as defined under the Listing Rules in respect of the contribution from CR Shenzhen exceeds 0.1% but are less than 5%, the transaction is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from the independent shareholders' approval requirements.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	China Resources Land Limited (華潤置地有限公司), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“controlling Shareholder(s)”	has the meaning ascribed thereto in the Listing Rules
“Cooperation Agreement”	a cooperation agreement dated 4 February 2016 entered into among CR Shenzhen, CR Trust, Mr. Ng, Ms. Ng, SFL and SFW
“CR Shenzhen”	China Resources (Shenzhen) Company Limited* (華潤(深圳)有限公司), a company incorporated in the PRC with limited liability and an indirectly wholly-owned subsidiary of the Company

“CR Trust”	China Resources SZITIC Trust Co., Ltd.* (華潤深國投信託有限公司), a company incorporated in the PRC and a financial institution engaged in the operation of the trust business
“CRC”	China Resources Co., Limited* company incorporated in the PRC with limited liability and the holding company of CRH
“CRH”	China Resources (Holdings) Company Limited (華潤(集團)有限公司), a company incorporated in Hong Kong with limited liability, indirectly holding 61.27% Shares in the Company as at the date of this announcement
“Directors”	the directors of the Company
“Fund”	a private equity investment fund in form of limited liability partnership with an estimated total size of RMB4,798.01 million
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LP”	limited partners who subscribe for the LP Shares of the Fund
“LP Shares”	limited partner shares of the Fund divided into Class A, Class B and Class C, where by Class C is further divided into Class C1 and Class C2
“Mr. Ng”	Mr. NG Kei Nin (吳驥年), who, together with Ms. Ng, hold 50.1% equity interest of SFL and 100% equity interest of SFW
“Ms. Ng”	Ms. NG Fei Lan (吳霏蘭), who, together with Mr. Ng, hold 50.1% equity interest of SFL and 100% equity of SFW
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan

“RMB”	Renminbi, the lawful currency of the PRC
“SFL”	San Fong Lok Property Development and Investment Company Limited (新豐樂置業發展有限公司), a company established in Macau with limited liability
“SFW”	San Fong Wang Property Development and Investment Company Limited (新豐宏置業發展有限公司), a company established in Macau with limited liability
“Shareholders”	holders of the Shares
“SPV”	a wholly-owned controlling subsidiary established in Hengqin by SFL as an entity in Macau qualified for application for the Target Project
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Project”	a project located at Hengqin New District, Zhuhai, jointly developed by CR Shenzhen, CR Trust, Mr. Ng, Ms. Ng, SFL and SFW
“%”	per cent

By Order of the Board
China Resources Land Limited
TANG Yong
Vice Chairman

Hong Kong, 4 February 2016

As at the date of this announcement, the executive directors of the Company are Mr. Wu Xiangdong, Mr. Tang Yong and Mr. Yu Jian; the non-executive directors of the Company are Mr. Yan Biao, Mr. Wei Bin, Mr. Du Wenmin, Mr. Ding Jiemin, Mr. Chen Ying and Mr. Wang Yan; and the independent non-executive directors of the Company are Mr. Wang Shi, Mr. Andrew Y. Yan, Mr. Ho Hin Ngai, Bosco, Mr. Wan Kam To, Peter and Mr. Ma Weihua.

* *English translations of the names are provided for ease of reference only and they are not official English names of the companies and authorities concerned*