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五礦地產
MINMETALS LAND

中國五礦

五礦地產有限公司
MINMETALS LAND LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 230)

CONNECTED TRANSACTION
LEASE OF OFFICE PREMISES

The Board announces that Shengshi Guangye entered into the Tenancy Agreement with Fifth Plaza Co for the lease of the Premises and the Car Parking Spaces on 28 September 2022. The purpose of the Tenancy Agreement is to renew the tenancy agreement dated 30 September 2019 entered into between Minmetals Land Beijing (as tenant) and Fifth Plaza Co (as landlord) which will expire on 30 September 2022. Pursuant to the Tenancy Agreement, Shengshi Guangye agreed to lease the Premises of an aggregate gross floor area of 882.97 square metres and the Car Parking Spaces from Fifth Plaza Co.

Fifth Plaza Co is a non-wholly owned subsidiary of China Minmetals. China Minmetals is the ultimate controlling shareholder of the Company and is indirectly interested in approximately 61.88% of the issued share capital of the Company as at the date of this announcement. Accordingly, Fifth Plaza Co is a connected person of the Company and the entering into of the Tenancy Agreement and the Transaction contemplated thereunder constitute a connected transaction for the Company under Chapter 14A of the Listing Rules.

In accordance with 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 RMB9,316,016.15 (approximately HK\$11,090,717.23) (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. Accordingly, the entering into of the Tenancy Agreement and the Transaction contemplated thereunder will be deemed acquisition of right-of-use assets by the Group.

As one or more of the applicable percentage ratios in respect of the Value of the Right-of-use Asset recognised under the Transaction exceed 0.1% but are all less than 5%, the Transaction is 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.

TENANCY AGREEMENT

Shengshi Guangye entered into the Tenancy Agreement with Fifth Plaza Co for the lease of the Premises and the Car Parking Spaces on 28 September 2022. The purpose of the Tenancy Agreement is to renew the tenancy agreement dated 30 September 2019 entered into between Minmetals Land Beijing (as tenant) and Fifth Plaza Co (as landlord) which will expire on 30 September 2022. Pursuant to the Tenancy Agreement, Shengshi Guangye agreed to lease the Premises of an aggregate gross floor area of 882.97 square metres and the Car Parking Spaces from Fifth Plaza Co.

The principal terms of Tenancy Agreement are as follows:

- Date : 28 September 2022
- Parties : Fifth Plaza Co; and
Shengshi Guangye
- Premises : Part of each of 7th, BM and B1 floors, Tower A, Minmetals Plaza, 3 Chaoyangmen North Street, Dongcheng District, Beijing, the PRC of an aggregate gross floor area of 882.97 square metres
- Car Parking Spaces : Seven car parking spaces at Minmetals Plaza
- Term : 3 years commencing from 1 October 2022 to 30 September 2025 (both dates inclusive)
- Rent : The rent for the Premises (exclusive of management, electricity and public facility charges) payable in cash shall be RMB283,380.35 (approximately HK\$337,364.31) per calendar month.

The rent for the Car Parking Spaces (exclusive of management fees) payable in cash shall be RMB8,400.00 (approximately HK\$10,000.20) per calendar month.

The terms of the Tenancy Agreement have been agreed by the parties after arm's length negotiation and are on normal commercial terms. The monthly rent has been determined with reference to the rent payable by other tenants of Minmetals Plaza.

REASONS FOR ENTERING INTO THE TENANCY AGREEMENT

Minmetals Land Beijing has been occupying the Premises at Minmetals Plaza as its office since 2013. Minmetals Plaza is also the headquarters of the functional divisions and certain subsidiary companies of China Minmetals. As Shengshi Guangye is a wholly-owned subsidiary of the Company and a member of the China Minmetals group, maintaining its office at Minmetals Plaza will enhance communications with China Minmetals.

The Directors (including independent non-executive Directors) consider that the terms of the Tenancy Agreement 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 Tenancy Agreement nor is required to abstain from voting on the Board resolution approving the Tenancy Agreement.

INFORMATION ABOUT THE PARTIES

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

Shengshi Guangye is an indirect wholly-owned subsidiary of the Company and is principally engaged in investment holding. Minmetals Land Beijing is the direct holding company of Shengshi Guangye and an indirect wholly-owned subsidiary of the Company whose principal activity is the provision of management service and investment holding.

Fifth Plaza Co is a non-wholly owned subsidiary of China Minmetals. It is principally engaged in the development, leasing, operation and management of properties and is the sole owner of Minmetals Plaza.

LISTING RULES IMPLICATIONS

Fifth Plaza Co is a non-wholly owned subsidiary of China Minmetals. China Minmetals is the ultimate controlling shareholder of the Company and is indirectly interested in approximately 61.88% of the issued share capital of the Company as at the date of this announcement. Accordingly, Fifth Plaza Co is a connected person of the Company and the entering into of the Tenancy Agreement and the Transaction contemplated thereunder constitute a connected transaction for the Company under Chapter 14A of the Listing Rules.

In accordance with 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 RMB9,316,016.15 (approximately HK\$11,090,717.23) (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. Accordingly, the entering into of the Tenancy Agreement and the Transaction contemplated thereunder will be deemed acquisition of right-of-use assets by the Group.

As one or more of the applicable percentage ratios in respect of the Value of the Right-of-use Asset recognised under the Transaction exceed 0.1% but are all less than 5%, the Transaction is 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.

DEFINITIONS

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

“Board”	the board of Directors;
“Car Parking Spaces”	seven car parking spaces at Minmetals Plaza, 3 Chaoyangmen North Street, Dongcheng District, Beijing, the PRC;
“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 shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited;
“connected person(s)”, “controlling shareholder” and “subsidiary(ies)”	each has the meaning as ascribed to it under the Listing Rules;
“Directors”	the directors (including independent non-executive directors) of the Company;
“Fifth Plaza Co”	Beijing Fifth Plaza Real Estate Co., Ltd.* (北京第五廣場置業有限公司), a company established under the laws of the PRC with limited liability and a non-wholly owned subsidiary of China Minmetals;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKFRS”	The Hong Kong Financial Reporting Standards;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Minmetals Land Beijing”	Minmetals Land Investment Management (Beijing) Co., Ltd.* (五礦建設投資管理(北京)有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company and the direct holding company of Shengshi Guangye;

“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);
“Premises”	the premises in respect of part of each of 7th, BM and B1 floors, Tower A, Minmetals Plaza, 3 Chaoyangmen North Street, Dongcheng District, Beijing, the PRC of an aggregate gross floor area of 882.97 square metres;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	holder(s) of ordinary share(s) of HK\$0.10 each in the issued share capital of the Company;
“Shengshi Guangye”	Minmetals Shengshi Guangye (Beijing) Co., Ltd.* (五礦盛世廣業(北京)有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company;
“Tenancy Agreement”	the tenancy agreement entered into between Shengshi Guangye and Fifth Plaza Co on 28 September 2022 for the lease of the Premises and the Car Parking Spaces;
“Transaction”	the lease of the Premises and the Car Parking Spaces as contemplated under the Tenancy Agreement; and
“%”	per cent.

** For identification purpose only*

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\$1.1905. 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
Minmetals Land Limited
He Jianbo
Chairman

Hong Kong, 28 September 2022

As at the date of this announcement, the Board comprises nine 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 and Mr. Huang Guoping as non-executive directors, and Mr. Lam Chung Lun, Billy, Ms. Law Fan Chiu Fun, Fanny and Professor Wang Xiuli as independent non-executive directors.