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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)

CONTINUING CONNECTED TRANSACTIONS ENTERING INTO OF THE PLATFORM AND MARKETING SERVICES FRAMEWORK AGREEMENT

THE PLATFORM AND MARKETING SERVICES FRAMEWORK AGREEMENT

The Board hereby announces that on 25 October 2022, the Company entered into the Platform and Marketing Services Framework Agreement with Huawang Data, pursuant to which the Group has agreed to provide Huawang Data with marketing services and Huawang Data has agreed to provide the Group with platform services in relation to the Platform, for a term effective from 1 November 2022 to 31 December 2022.

LISTING RULE IMPLICATIONS

By virtue of CRI being the controlling shareholder of CRH, which in turn holds approximately 59.55% in the Company, CRI is a connected person to the Company as defined under the Listing Rules. As at the date of this announcement, as CRI, being a controlling shareholder of the Company, indirectly holds 100% of the registered capital of Huawang Data, Huawang Data is a connected person of the Company under the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, a series of connected transactions shall be treated as if they were one transaction if they were all entered into or completed within a 12-month period or are otherwise related. Given that (i) the Previous Transactions and the Platform and Marketing Services Framework Agreement were all entered into within a 12-month period and the transactions contemplated thereunder are of similar nature in relation to the platform services and marketing services provided in relation to the Platform; and (ii) the parties to the Previous Transactions and the Platform and Marketing Services Framework Agreement are the same, the transactions contemplated under the Previous Transactions and the Platform and Marketing Services Framework Agreement shall be aggregated as if they were one transaction.

As the applicable percentage ratios stipulated under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Platform and Marketing Services Framework Agreement when aggregated with the Previous Transactions, exceed 0.1% but are lower than 5%, the transactions contemplated thereunder are only subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement of Chapter 14A of the Listing Rules.

INTRODUCTION

The Board hereby announces that on 25 October 2022, the Company entered into the Platform and Marketing Services Framework Agreement with Huawang Data, pursuant to which the Group has agreed to provide Huawang Data with marketing services and Huawang Data has agreed to provide the Group with platform services in relation to the Platform, for a term effective from 1 November 2022 to 31 December 2022.

THE PLATFORM AND MARKETING SERVICES FRAMEWORK AGREEMENT

Parties:	The Company and Huawang Data
Date of agreement:	25 October 2022
Term of the agreement:	1 November 2022 to 31 December 2022
Scope of services:	<p>The Group shall provide Huawang Data with marketing services and assist Huawang Data to promote the use of the Platform, with the aim to build up an active and loyal member base for the Platform, by utilising the Group's resources, including but not limited to, (i) arranging for staff to engage in face-to-face interactions with the aim to attract customers to register as members of the Platform ("Members"); (ii) advertising and promoting the Platform within its premises to encourage more registrations, and (iii) engaging in various online marketing activities linked to the Platform (the "Marketing Services"). The Group shall also offer benefits to the Members, as well to as offer Members the opportunity to participate in promotional activities of the Group to be held from time to time.</p> <p>Huawang Data shall provide the Group with services in connection with the Platform, including but not limited to, (i) operating and managing the Platform; (ii) providing assistance to the Members through a customer hotline maintained by Huawang Data; (iii) providing information and consultation services relevant to the Platform; (iv) providing maintenance services to ensure stable and safe operations of the Platform, and (v) providing settlement support for any transactions using the Platform (the "Platform Services").</p>

For the specific terms (including type of service, service fees, payment terms, rights and obligations of the parties) with respect to the services to be provided under the Platform and Marketing Services Framework Agreement, the Group and Huawang Data will enter into separate agreements in accordance with the terms and conditions of the Platform and Marketing Services Framework Agreement.

Pricing policy:

The consideration for the procurement of the Platform Services and Marketing Services shall be determined on an arm's length basis by the parties with reference to the types of services provided as well as other terms such as payment terms. The Platform Services will be provided by Huawang Data to the Group on normal commercial terms and will be charged at a rate no less favourable as would apply to similar services provided to any of Huawang Data's other clients. The Company determines the market price after comparing and considering certain factors, including the quotations, quality of service, specific requirements of the counterparty, technical advantage of the service provider, requirements of the Group's customers, ability of the service provider to fulfill technical specifications and qualifications and relevant experience of the service provider, among others. The Marketing Services will be provided by the Group to Huawang Data on normal commercial terms and will be charged at a rate no less favourable as would apply to similar services provided to any of the Group's other clients.

PROPOSED ANNUAL CAP

The proposed annual caps for the continuing connected transactions under the Platform and Marketing Services Framework Agreement for the two months ending 31 December 2022 are as follows:

	2 months ending 31 December 2022 (RMB million)
Marketing Services — paid by Huawang Data to the Group	50
Platform Services — paid by the Group to Huawang Data	100

Basis of determination of annual caps

In determining the proposed annual caps for the transactions contemplated under the Platform and Marketing Services Framework Agreement, the Company has taken into account the scope of services contemplated thereunder and considered, among others, (i) the existing scale and operation of the Group's business and the historical transaction amounts for transactions using the Platform; (ii) the Group's business plans for the year ending 31 December 2022; and (iii) the Group's projected demand for use of the Platform and changes in condition.

PREVIOUS TRANSACTIONS

Since 1 January 2022, the Group has been utilizing the Platform together with Huawang Data from time to time for operational and marketing purposes as part of the Group's ordinary and usual course of business on normal commercial terms after arm's length negotiations between the parties (the "**Previous Transactions**"). The terms and conditions of the Previous Transactions are in line with the terms of the Platform and Marketing Services Framework Agreement.

The aggregate actual amount incurred by the Group for the period from 1 January 2022 to 30 September 2022 in relation to the Previous Transactions amounts to approximately RMB104 million, whereby the Marketing Services and the Platform Services amount to approximately RMB38 million and RMB66 million, respectively. Each of the applicable percentage ratios for the Previous Transactions fell within the de minimis threshold as stipulated under Rule 14A.76 of the Listing Rules and were fully exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF THE PLATFORM AND MARKETING SERVICES FRAMEWORK AGREEMENT

The Platform and Marketing Services Framework Agreement is expected to enhance the Group's brand awareness and strengthen its commercialization capabilities. The marketing and promotional activities via the Platform are expected to build up an active and loyal Member base for the Group, which will enhance their loyalty and incentivise repeat purchases on the Group's premises. Through the convenience of the Platform, the Group is able to rely on its industrial advantage to provide customers with quality goods and services, whilst using the Platform as a means to better meet the demands of its customers and thereby improving its overall customer service or whenever its marketing strategy requires.

All Directors (including the independent non-executive Directors) consider that the Platform and Marketing Services Framework Agreement was negotiated on an arm's length basis, are on normal commercial terms or better and were entered into in the ordinary and usual course of business of the Group, and its relevant terms and annual cap are fair and reasonable and in the interests of the Company and its shareholders as a whole.

GENERAL INFORMATION

The Group

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 the property development.

Huawang Data

Huawang Data is a company incorporated in the PRC with limited liability, it is wholly owned by China Resources Network Holding (Shenzhen) Co., Ltd.* (華潤網絡控股(深圳)有限公司), which is wholly-owned CRI. Huawang Data is principally engaged in the provision of internet and related services.

CRI

CRI is the intermediate holding company of CRH and is ultimately owned by CRC. CRC is a company established in the PRC with limited liability and is a state-owned enterprise under the supervision of SASAC. It is the holding company of CRH, and is a conglomerate which holds a variety of businesses in the PRC and Hong Kong including but not limited to consumer products, integrated energy, urban construction and operation, healthcare, industrial finance, technology and emerging sectors.

INTERNAL CONTROLS

The Group has implemented the following internal control measures in relation to the continuing connected transactions:

- the Group will supervise the continuing connected transactions in accordance with the procedures set forth in the Company's internal control manual on continuing connected transactions. The relevant personnel of the business department of the Group will conduct regular checks to review and assess whether the transactions contemplated under the relevant continuing connected transactions are conducted in accordance with the terms of such agreement and will also regularly update the market price for their purpose of considering if the price charged for a specific transaction is fair and reasonable and in accordance with the aforesaid pricing policy;
- the Group has approved internal guidelines which provide that if the value of any proposed connected transaction is expected to exceed certain thresholds, the relevant staff must report the proposed transactions to the head of the relevant business unit in order for the Company to commence the necessary additional assessment and approval procedures and ensure that the Company will comply with the applicable requirements under Chapter 14A of the Listing Rules; and
- the Company will provide information and supporting documents to the independent non-executive Directors and the auditors in order for them to conduct an annual review of the continuing connected transactions entered into by the Company. In accordance with the requirements under the Listing Rules, the independent non-executive Directors will provide an annual confirmation to the Board as to whether the continuing

connected transactions have been entered into in the ordinary and usual course of business of the Group, are on normal commercial terms and are in accordance with the agreement governing them on terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole, and the auditors will provide an annual confirmation to the Board as to whether anything has come to their attention that causes them to believe that the continuing connected transactions have not been approved by the Board, are not in accordance with the pricing policies of the Group in all material respects, are not entered into in accordance with the relevant agreements governing the transactions in all material respects or have exceeded the cap.

LISTING RULES IMPLICATIONS

By virtue of CRI being the controlling shareholder of CRH, which in turn holds approximately 59.55% in the Company, CRI is a connected person to the Company as defined under the Listing Rules. As at the date of this announcement, as CRI, being a controlling shareholder of the Company, indirectly holds 100% of the registered capital of Huawang Data, Huawang Data is a connected person of the Company under the Listing Rules.

Pursuant to Rule 14A.81 of the Listing Rules, a series of connected transactions shall be treated as if they were one transaction if they were all entered into or completed within a 12-month period or are otherwise related. Given that (i) the Previous Transactions and the Platform and Marketing Services Framework Agreement were all entered into within a 12-month period and the transactions contemplated thereunder are of similar nature in relation to the platform services and marketing services provided in respect to the use of the Platform; and (ii) the parties to the Previous Transactions and the Platform and Marketing Services Framework Agreement are the same, the transactions contemplated under the Previous Transactions and the Platform and Marketing Services Framework Agreement shall be aggregated as if they were one transaction.

As the applicable percentage ratios stipulated under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Platform and Marketing Services Framework Agreement when aggregated with the Previous Transactions, exceed 0.1% but are lower than 5%, the transactions contemplated thereunder are only subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement of Chapter 14A of the Listing Rules.

None of the Directors have a material interest in the transactions under the Platform and Marketing Services Framework Agreement, and none of them abstained from voting on the board resolution approving the Platform and Marketing Services Framework Agreement and the transactions contemplated thereunder.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed thereto in the Listing Rules;
“Board”	the board of Directors of the Company;
“Company”	China Resources Land Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“CRC”	China Resources Company Limited* (中國華潤有限公司), a company established in the PRC with limited liability and a state-owned enterprise under the supervision of SASAC, is the ultimate holding company of the Company;
“CRH”	China Resources (Holdings) Company Limited (華潤(集團)有限公司), a company incorporated in Hong Kong with limited liability and the intermediate holding company of the Company;
“CRI”	China Resources Inc. (華潤股份有限公司), a joint stock limited liability company established in the PRC, which is an intermediate holding company of CRH;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Huawang Data”	Huawang Data Technology (Guangzhou) Co., Ltd.* (華網數據科技(廣州)有限公司), a company incorporated in the PRC, indirectly wholly-owned by CRI;
“independent shareholders”	shareholders of the Company other than CRI and its associates, as defined in the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time;
“Platform”	CR Life Club (華潤通), an e-commerce internet-based services platform developed by China Resources Network Holding (Shenzhen) Co., Ltd.* (華潤網絡控股(深圳)有限公司), a wholly-owned subsidiary of CRI;

“Platform and Marketing Services Framework Agreement”	the framework agreement entered into between the Company and Huawang Data on 25 October 2022 in relation to the platform and marketing arrangements between the Group and Huawang Data for the two months ending 31 December 2022;
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong and Macau Special Administrative Region);
“RMB”	Renminbi, the lawful currency of the PRC;
“SASAC”	State-owned Assets Supervision and Administration Commission of the State Council;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

By Order of the Board
China Resources Land Limited
Li Xin
Chairman

PRC, 25 October 2022

As at the date of this announcement, the executive Directors are Mr. Li Xin, Mr. Wu Bingqi, Mr. Zhang Dawei, Mr. Xie Ji and Mr. Guo Shiqing; the non-executive Directors are Mr. Liu Xiaoyong, Mr. Zhang Liang, Mr. Dou Jian and Ms. Cheng Hong; and the independent non-executive Directors are Mr. Andrew Y. Yan, Mr. Ho Hing Ngai, Bosco, Mr. Wan Kam To, Peter, Mr. Zhong Wei and Mr. Sun Zhe.

** 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*