

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.



華潤置地有限公司 China Resources Land Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1109)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS ENTERING INTO OF

- (1) THE STRATEGIC COOPERATION AGREEMENTS 2022;**
- (2) THE LEASING AND CONCESSIONAIRE FRAMEWORK AGREEMENT 2022;**
- (3) THE VALUE-ADDED SERVICES FRAMEWORK AGREEMENT 2022;**
- (4) THE LEASE FINANCING AND
FACTORING SERVICES FRAMEWORK AGREEMENT 2022;**
- (5) THE IT SERVICES AND PRODUCTS PROCUREMENT
FRAMEWORK AGREEMENT 2022;**
- (6) THE PLATFORM AND MARKETING SERVICES FRAMEWORK AGREEMENT 2022;
AND**
- (7) THE PROPERTY MANAGEMENT SERVICES FRAMEWORK AGREEMENT 2022**

Reference is made to (i) the announcement of the Company dated 9 December 2019 in relation to the entering into of the 2019 Continuing Connected Transaction Agreements; (ii) the announcement of the Company dated 27 August 2021 in relation to the entering into of the Factoring Services Framework Agreement 2021 and the Lease Financing Framework Agreement 2021; (iii) the announcement of the Company dated 30 August 2021 in relation to the revision of annual caps under the Leasing and Concessionaire Framework Agreement 2019; and (iv) the announcement of the Company dated 25 October 2022 in relation to the entering into of the Platform and Marketing Services Framework Agreement. As the 2019 Continuing Connected Transaction Agreements, the Factoring Services Framework Agreement 2021, the Lease Financing Framework Agreement 2021 and the Platform and Marketing Services Framework Agreement will expire on 31 December 2022, the Company has entered into new arrangements whereby the annual caps are also renewed under the New Continuing Connected Transaction Agreements, and the Company has also entered into new continuing connected transactions under the IT Services and Products Procurement Framework Agreement 2022.

LISTING RULES IMPLICATIONS

By virtue of CRI being the controlling shareholder of CRH, which in turn holds approximately 59.55% in the Company, CRI, CRH and their respective associates are connected persons 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, holds approximately 70.28%, 51%, 81.36%, 100% and 100% of the registered capital of CR Bank, CR Trust, CR Leasing, CR Digital and Huawang Data respectively, CR Bank, CR Trust, CR Leasing, CR Digital and Huawang Data are connected persons of the Company under the Listing Rules.

As applicable size test percentage ratios exceed 0.1% but are less than 5% in respect of the continuing connected transactions under the New Continuing Connected Transaction Agreements, the transactions contemplated thereunder are only subject to the reporting, annual review and announcement requirements but are exempted from the independent shareholders' approval requirements of the Listing Rules.

BACKGROUND

Reference is made to (i) the announcement of the Company dated 9 December 2019 in relation to the entering into of the 2019 Continuing Connected Transaction Agreements; (ii) the announcement of the Company dated 27 August 2021 in relation to the entering into of the Factoring Services Framework Agreement 2021 and the Lease Financing Framework Agreement 2021; (iii) the announcement of the Company dated 30 August 2021 in relation to the revision of annual caps under the Leasing and Concessionaire Framework Agreement 2019; and (iv) the announcement of the Company dated 25 October 2022 in relation to the entering into of the Platform and Marketing Services Framework Agreement. As the 2019 Continuing Connected Transaction Agreements, the Factoring Services Framework Agreement 2021, the Lease Financing Framework Agreement 2021 and the Platform and Marketing Services Framework Agreement will expire on 31 December 2022, the Company has entered into new arrangements whereby the annual caps are renewed under the New Continuing Connected Transaction Agreements, and the Company has also entered into new continuing connected transactions under the IT Services and Products Procurement Framework Agreement 2022.

1. THE STRATEGIC COOPERATION AGREEMENTS 2022

CR Bank Strategic Cooperation Agreement 2022

Parties:	CR Bank and the Company
Date of agreement:	25 October 2022
Date of commencement of agreement:	1 January 2023
Term of the agreement:	Three years ending 31 December 2025, unless extended for a further period.

- Deposit services: From time to time, the Group may place deposits with CR Bank. Any deposit placed with CR Bank under these arrangements will bear the same interest and be on the same terms and conditions as would apply to a similar deposit made by any other customer of CR Bank, which rates are determined with reference to such other more preferential rates, and shall comply with the relevant standards promulgated by the PBOC.
- Other financial services: Other than deposit services, from time to time, the Group may use the commercial banking services of CR Bank including, credit services (such as corporate loans, commercial bills, accounts receivable factoring services, accounts receivable pledge loans), settlement services, agency services (such as entrusted loan agency, collection and payment business, payroll agency, commercial insurance agency, custody agency, safe deposit box, securities issuance and trading and other agency services), cash management services (such as fund collection and currency exchange, electronic banking services, centralised cash management and value-added services), financial consulting services (such as project financing, management consulting, risk management, structured deposits, interest rate swaps, currency swaps, interest rate options, foreign exchange options, foreign exchange investment, bond market, etc.) and other financial services as agreed by the parties. These services will be provided on normal commercial terms which apply to other customers of CR Bank, and shall comply with the relevant standards promulgated by the PBOC for the same type of financial services from time to time (if applicable). The fees and charges for other financial services and products provided by CR Bank will be determined by arm's length negotiations between the parties and based on normal commercial terms, and shall in principle not be higher than the rates published by CR Bank that are applicable to its independent customers.

CR Trust Strategic Cooperation Agreement 2022

Parties:	CR Trust and the Company
Date of agreement:	25 October 2022
Date of commencement of agreement:	1 January 2023
Term of the agreement:	Three years ending 31 December 2025, unless extended for a further period.
Trust services:	From time to time, the Group may use services provided by CR Trust including, but not limited to, cash management, asset management, equity cooperation, consulting services and other trust services. These services will be provided on normal commercial terms and will be charged at a rate no less favourable as would apply to similar services provided to any of CR Trust's other clients.

Annual caps under the Strategic Cooperation Agreements 2022

Set out below are the approximate historical figures (rounded to the nearest million) of the maximum daily deposit amount, inclusive of interest payable, placed by the Group with CR Bank, and the maximum daily amount of financial services and products provided by CR Bank and CR Trust to the Group (excluding deposit service and financial services provided by CR Bank and CR Trust where only the fees and commissions paid by the Group are used to calculate the relevant percentage ratios) on any single day under the terms of the Strategic Cooperation Agreements for each of the years ended 31 December 2020 and 2021 and the six months ended 30 June 2022:

	For the year ended 31 December		For the six months ended
	2020	2021	30 June 2022
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Maximum daily deposit amount placed with CR Bank during the year/period	3,255	3,323	3,457
Maximum daily amount of other financial services and products provided by CR Bank and CR Trust during the year/period	2,089	475	98

The proposed annual caps for financial services on any single day under both of the Strategic Cooperation Agreements 2022 for the three years ending 31 December 2025 are as follows:

The proposed maximum daily deposit amount, inclusive of interest payable (rounded to the nearest million), placed by the Group with CR Bank for the term of the CR Bank Strategic Cooperation Agreement 2022 are as follows:

	Maximum daily deposit amount for the year ending 31 December		
	2023	2024	2025
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
CR Bank	4,700	4,700	4,700

The proposed maximum daily amount of financial services and products provided by CR Bank and CR Trust to the Group (excluding deposit services and financial services provided by CR Bank and CR Trust where only the fees and commissions paid by the Group are used to calculate the relevant percentage ratios) for the term of the Strategic Cooperation Agreements 2022 are as follows:

	Maximum daily amount of financial services and products for the year ending 31 December		
	2023	2024	2025
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
CR Bank and CR Trust	5,000	5,000	5,000

Such maximum daily amount is applicable for each day during the relevant year, and such maximum daily amount is calculated on an individual basis as outstanding at the end of each day during the relevant year without aggregating with the daily amount incurred in the previous period. Moreover, given the difference in the nature between (i) deposit services and (ii) other financial services or products provided by CR Bank, separate maximum daily amounts are set for each of these services.

The proposed maximum daily amount for the deposit balance under the CR Bank Strategic Cooperation Agreement is determined taking into account, among other things, (i) the amount of deposits historically placed by the Group with CR Bank; (ii) the Company's plan to start placing more deposit with CR Bank as a part of its plan to improve cash management and diversify investment risk which may arise from potential over-reliance and concentration on certain banks; (iii) the anticipated growth in the business of the Group leading to increase in net cash inflow of the Group which may be deposited with CR Bank; and (iv) the funding requirements and treasury policy of the Group. As at 30 June 2022 and 31 December 2021, the Group's cash and bank balances amounted to approximately RMB116,447 million and RMB108,748 million respectively.

The proposed maximum daily amount for the principal amount and interest in relation to financial products provided by CR Bank and CR Trust is determined taking into account, among other things, (i) the liquidity and need for capital management of the Group; (ii) the business needs of the Group; (iii) the anticipated need for financial or trust services in relation to potential fund raising activities or other transactions to be engaged by the Group; and (iv) the anticipated growth in the business of the Group leading to increase in net cash inflow of the Group which may be used for purchase of financial services or products from CR Bank and CR Trust.

Financial products and services from CR Bank and CR Trust

The pricing terms of the financial services and products provided by CR Bank and/or CR Trust vary according to the type and nature of the financial services and products. To the best knowledge and information of the Company, the principal amount and interest in relation to financial products provided by CR Bank and CR Trust and the service fees and commissions payable by the Group for other financial products and services provided by CR Bank and CR Trust are normally determined by CR Bank and CR Trust (as the case may be) by taking into account the following factors:

- (i) in relation to the financial products to be provided by CR Bank and CR Trust, the amount of principal and interests in relation to such financial products generally depends on the size, nature and quality of the financial products; and
- (ii) in relation to the financial services to be provided by CR Bank and/or CR Trust where only service fees and/or commissions are payable by the Group, such service fees and commissions are generally determined and charged by CR Bank and/or CR Trust based on the prevailing market rates for the similar type, nature and quality of financial services at the time of the transaction.

As part of the Group's internal approval and monitoring procedures relating to the transactions with CR Bank, the Group will obtain quotations from other independent financial institutions for similar deposit services for similar duration before it enters into any new deposit arrangement with CR Bank and such quotes, together with the offer from CR Bank, will be reviewed and approved in accordance with the Group's internal approval procedures. In addition, the Group will also obtain quotations from, or compare the amount of principal and interests of financial products or service fees offered by, other independent financial service providers before it decides to purchase the financial products or use the financial services offered by CR Bank and/or CR Trust.

It is expected that the aggregate annual amount of fees and commissions paid by the Group for the financial services provided by CR Bank and CR Trust respectively during the term of the Strategic Cooperation Agreements 2022 will not exceed 0.1% of the percentage ratios, other than the profits ratio, of the Listing Rules, and these arrangements will constitute de minimis transactions under Chapter 14A of the Listing Rules.

To the extent the aggregate annual amount of fees and commissions paid by the Group for the financial services provided by CR Bank and CR Trust respectively during the term of the Strategic Cooperation Agreements 2022 exceeds 0.1% and is below 5% of such percentage ratios, these arrangements will constitute continuing connected transactions exempted from independent shareholders' approval but will be subject to the annual review by the independent non-executive Directors and the Company's auditors and a further announcement will be made by the Company stating the relevant caps as and when necessary. Under no circumstances will the amounts of fees and commissions paid in any one financial year exceed 5% of the percentage ratios, other than the profits ratio, of the Listing Rules unless the Company has obtained the prior approval of its independent shareholders.

2. THE LEASING AND CONCESSIONAIRE FRAMEWORK AGREEMENT 2022

The Leasing and Concessionaire Framework Agreement 2022

Parties:	CRH and the Company
Date of agreement:	25 October 2022
Date of commencement of agreement:	1 January 2023
Term of the agreement:	Three years ending 31 December 2025, unless extended for a further period.
Scope of services:	<p>Subject to further definitive written agreements, from 1 January 2023 to 31 December 2025 (both days inclusive), the Group will enter into new leasing agreements or new concessionaire agreements regarding its property portfolio for commercial properties where members of the Group lease premises to members of the CRH Group and associates of CRH in the ordinary and usual course of business on the following terms:</p> <ul style="list-style-type: none"> (a) each of the leasing or concessionaire arrangements to be entered into by a member of the Group with a member of the CRH Group or an associate of CRH will be documented in a separate written agreement with a lease term of not exceeding: <ul style="list-style-type: none"> (i) for rental properties that will be used as coffee shops, 11 years; (ii) for rental properties that will be used as supermarkets, 21 years; and (iii) for rental properties of other uses, three years; and

- (b) the performance of obligations under each of the leasing or concessionaire agreements entered into pursuant to the Leasing and Concessionaire Framework Agreement 2022 is subject to compliance with the Listing Rules by the Company.

Pricing policy:

Each leasing or concessionaire arrangement will be entered into on normal commercial terms with the rents, property management fees and other charges received by the Group from any members of the CRH Group or associates of CRH being either at market prices or at prices no less favourable to the Group than those available from independent third parties. In determining the rents, property management fees and other charges received by the Group, the Group takes into account the following factors, including but not limited to (i) the prevailing market rents and fees charged to independent third parties for similar properties in similar locations; (ii) the fees charged by independent third parties to the relevant members of the CRH Group or associates of CRH Group for similar properties in similar locations in particular; (iii) the geographical location and the storey of the relevant property leased; and (iv) previous terms and conditions of the leasing and concessionaire arrangements entered into with the relevant members of the CRH Group and associates of CRH (where applicable). These price quotations shall be approved by internally by the Group.

Annual caps under the Leasing and Concessionaire Framework Agreement 2022

Set out below are the approximate historical figures the Group charged to members of the CRH Group and associates of CRH under the terms of the existing leasing and concessionaire arrangements for each of the years ended 31 December 2020 and 2021 and the six months ended 30 June 2022:

	For the year ended 31 December		For the six months ended
	2020	2021	30 June 2022
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Leasing and concessionaire arrangements — actual amount charged to members of the CRH Group and associates of CRH	476	520	252

The proposed annual caps for the Leasing and Concessionaire Framework Agreement 2022 for the three years ending 31 December 2025 are as follows:

	For the year ending 31 December		
	2023	2024	2025
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
The Leasing and Concessionaire Caps ⁽¹⁾	1,000	1,200	1,400

Note 1: The Leasing and Concessionaire Caps have included the property management fees received by the CR Mixc Lifestyle Group (for commercial properties). For further details, please refer to “7. The Property Management Services Framework Agreement 2022” in this announcement.

The Leasing and Concessionaire Caps are determined by reference to (i) the rental rates under the existing leasing and concessionaire arrangements; (ii) the projected increase in rental rates to be paid on the existing leasing and concessionaire arrangements; and (iii) the Company’s projection of possible additions of properties to be rented by members of the CRH Group and associates of CRH after taking into account of the expected continuous increase in demand for the leasing and concessionaire arrangements with members of the CRH Group and associates of CRH.

3. THE VALUE-ADDED SERVICES FRAMEWORK AGREEMENT 2022

The Value-added Services Framework Agreement 2022

Parties:	CRH and the Company
Date of agreement:	25 October 2022
Date of commencement of agreement:	1 January 2023
Term of the agreement:	Three years ending 31 December 2025, unless extended for a further period.
Scope of services:	The Group has been, during the normal course of its businesses, providing construction and decoration services and procuring from and selling to construction material to respective members of the CRH Group and associates of CRH. Construction services provided by the Group include building construction, mechanical and electrical engineering and installation as well as urban utilities. Decoration services provided by the Group include interior design, decoration and furnishing of offices, commercial and residential properties. Procurement and sales of construction materials include inorganic engineered stones and other building materials.
Pricing policy:	Each contract of construction, decoration and sales of construction material will be entered into on normal commercial terms and the prices will be either at market prices or at prices no less favourable to the Group than those available to independent third parties. The services and fees charged by the Group are generally determined based on the cost in addition to a certain markup to achieve a reasonable gross profit. The main reference factors for the Group's pricing policy include: (i) availability and cost of raw materials and equipment and machinery, labour and subcontractors; (ii) the local guiding prices of all kinds of raw materials as set out in the monthly cost information manual subscribed by the Company from the cost units under the local housing and urban-rural construction bureaus; (iii) the project schedule, the complexity and scale of the relevant project, and the potential revision of the scope of work; (iv) the geographical location and environmental conditions of the project site; (v) the Group's estimate of competitive bidding (where applicable); and (vi) contractual risks. The finance department of the Company would, from time to time, prepare and update a pricing list which would set out the relevant fees before taking into account the standardised adjustments and how the standardised adjustments are applied to determine the final selling prices. These price quotations shall be approved by the finance department of the Company.

Each contract for procurement of construction material will be entered into on normal commercial terms and the prices will be either at market prices or at prices no less favourable to the Group than those available from independent third parties. The price payable by the Group to the CRH Group for the purchase of construction material shall be determined with reference to (i) the prevailing market rate with reference to prices of similar materials and similar quantities as charged by the Group's other independent third party suppliers obtained through the regular price research conducted by the Group to determine if the price and terms offered by the CRH Group are comparable to prevailing market rate; and (ii) after arm's length negotiations between the CRH Group and the Group having regards to the quality, the actual quantity of materials supplied, delivery schedule, ability to meet the Group's requirements and standards as well as the price offered. The procurement department of the Company will monitor the process of the transactions to be conducted to ensure such price is favourable to the Group.

Annual caps under the Value-added Services Framework Agreement 2022

Set out below are the approximate historical figures the Group charged to members of the CRH Group and associates of CRH under the terms of the existing provision of construction services, decoration services and sales of construction materials arrangements, and the approximate historical figures charged by members of the CRH Group and associates of CRH to the Group in relation to the Group's procurement of construction materials from the CRH Group and associates of CRH in the ordinary course of business and on normal commercial terms (which constitute as de minimis transactions under Chapter 14A of the Listing Rules), for each of the years ended 31 December 2020 and 2021 and the six months ended 30 June 2022:

	For the year ended 31 December		For the six months ended
	2020	2021	30 June 2022
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Construction services arrangements			
— actual amount charged to members of the CRH Group and associates of CRH by the Group	1,380	657	190
Decoration services arrangements			
— actual amount charged to members of the CRH Group and associates of CRH by the Group	70	189	32
Sale of construction materials			
— actual amount charged to members of the CRH Group and associates of CRH by the Group	72	40	—
Procurement of construction materials			
— actual amount charged to the Group by members of the CRH Group and associates of CRH	17	53	37

The proposed annual caps for the Value-added Services Framework Agreement 2022 for the three years ending 31 December 2025 are as follows:

	For the year ended 31 December		
	2023	2024	2025
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
The Construction Caps	1,800	1,800	1,800
The Decoration Caps	650	650	650
The Construction Material (Sales) Caps	200	200	200
The Construction Material (Procurement) Caps	800	800	800

Since the entering into of the Provision of Construction Services, Decoration Services and Furniture Services and Sales of Construction Material Framework Agreement 2019, the Group has adjusted its business strategies and the positioning of the Group's provision of its construction services, decoration services and sales of construction materials, resulting in relatively small transaction amounts incurred for the respective value-added services during the period of the aforementioned framework agreement. The Company is of the view that the relevant value-added services (including the procurement of construction material) is expected to pick up pace following the Group's readjustment of its business strategy. As a result, the annual caps under the Value-added Services Framework Agreement 2022 are being set with the expectation of the Company as reasoned above.

The Construction Caps are determined with reference to (i) the nature of the transactions; (ii) the existing scale and operations of the businesses of the Group; and (iii) the anticipated demand for construction services of the CRH Group and associates of CRH on the basis of its planned real estate development projects to be implemented from 2023 to 2025.

The Decoration Caps are determined with reference to (i) the nature of the transactions; (ii) the existing scale and operations of the businesses of the Group; (iii) the anticipated growth and development of businesses of the CRH Group and associates of CRH; and (iv) the anticipated demand for decoration services by the CRH Group and associates of CRH on the basis of its planned real estate development projects to be implemented from 2023 to 2025.

The Construction Material (Sales) Caps and the Construction Materials (Procurement) Caps are determined with reference to (i) the nature of the transactions; (ii) the existing scale and operations of the businesses of the Group; (iii) the anticipated demand for construction material by the respective CRH Group and associates of CRH from 2023 to 2025; and (iv) the anticipated demand for construction material by the Group based on its planned real estate development projects to be implemented from 2023 to 2025.

4. THE LEASE FINANCING AND FACTORING SERVICES FRAMEWORK AGREEMENT 2022

The Lease Financing and Factoring Services Framework Agreement 2022

Parties:	CR Leasing and the Company
Date:	25 October 2022
Date of commencement:	1 January 2023
Term of the agreement:	Three years ending 31 December 2025 unless extended for a further period
Scope of services:	<p>CR Leasing Group will provide general financial leasing, commercial factoring and related consultation services to the Group in accordance with the terms and conditions of the Lease Financing and Factoring Services Framework Agreement 2022, including operating lease financing and financial leasing, factoring financing, management of sales ledger, collection of accounts receivables, non-commercial bad debt guarantees, customer credit investigations and evaluations, and consultation services related to commercial factoring.</p> <p>For the specific terms (including lease principal, interest rates, service fees, payment terms, rights and obligations of the parties) with respect to each specific financial leasing service and for the specific terms (including types of services, interest rates, service fees, payment terms, rights and obligations of the parties) with respect to each specific commercial factoring service under the Lease Financing and Factoring Services Framework Agreement 2022, CR Leasing Group and the Group will enter into separate agreements in accordance with the terms and conditions of the Lease Financing and Factoring Services Framework Agreement 2022.</p>
Principle of the provision of services:	<p>Under the Lease Financing and Factoring Services Framework Agreement 2022, CR Leasing Group has undertaken to: (i) provide quality and effective financial services and products to the Group and promptly take into consideration the opinions of the Group in relation to such services and products; and (ii) actively support the operations of the Group, prioritize the approval of the financing applications of the Group, and based on the business circumstances, enable the Green Channel for important customers (if applicable).</p>

Pricing policy:

The transaction amounts to be paid by the Group to CR Leasing Group shall comply with the relevant standards promulgated by the PBOC or the CBIRC for the same type of financial services from time to time in relation to leverage ratio, and loan concentration ratio and correlation ratio (if applicable) and the projections of the potential scale of financial leasing and commercial factoring business cooperation between CR Leasing Group and the Group for the period of the Lease Financing and Factoring Framework Agreement 2022.

The service fees and commissions charged by CR Leasing Group shall comply with the relevant standards promulgated by the PBOC or the CBIRC for the same type of financial services from time to time (if applicable) and shall in principle not be higher than the interest or service rates charged by CR Leasing Group to independent third parties for the provision of similar services.

Annual caps under the Lease Financing and Factoring Services Framework Agreement 2022

Set out below are the approximate historical figures CR Leasing Group charged to the Group under the terms of the existing provisions of the Lease Financing Framework Agreement 2021 and Factoring Services Framework Agreement 2021 for each of four months ended 31 December 2021 and the six months ended 30 June 2022:

For the 4 months ended 31 December 2021 RMB million	For the six months ended 30 June 2022 RMB million
--	--

Transaction amount between the Group and CR Leasing Group during the period/year and interest and service fees paid by the Group to CR Leasing Group during the period/year

—

—

The proposed annual caps for the Lease Financing and Factoring Services Framework Agreement 2022 for the three years ending 31 December 2025 are as follows:

	For the year ended 31 December		
	2023	2024	2025
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Transaction amount between the Group and CR Leasing Group during the period/year and interest and service fees paid by the Group to CR Leasing Group during the period/year	2,000	2,000	2,000

Basis of determination of annual caps

Facing dynamic industry and overseas capital market, the Group has consistently adopted prudent financial management policy, implementing various measures to optimize financing elements, innovating commercial asset securitization model, thereby continually enhancing financial flexibility and anti-risk capabilities while staying in green zone under the “three red lines” policy. The Company is of the view that the entering into of the Lease Financing and Factoring Services Framework Agreement 2022 is one of its essential means in order for it to maintain its financial flexibility.

The annual caps under the Lease Financing and Factoring Services Framework Agreement 2022 are determined with reference to (i) the relevant standards in relation to leverage financing, and finance concentration promulgated by PBOC or the CBIRC for the same type of financial services from time to time (if applicable) and in principle, shall not be higher than the interest or service rates charged by CR Leasing Group to independent third parties for the provision of similar services and (ii) the projections of the potential scale of financial leasing and commercial factoring business cooperation between CR Leasing Group and the Group for the period of the Lease Financing and Factoring Services Framework Agreement 2022.

5. THE IT SERVICES AND PRODUCTS PROCUREMENT FRAMEWORK AGREEMENT 2022

The IT Services and Products Procurement Framework Agreement 2022

Parties:	CR Digital and the Company
Date:	25 October 2022
Date of commencement:	1 January 2023
Term of the agreement:	Three years ending 31 December 2025 unless extended for a further period
Scope of services:	Under the IT Services and Products Procurement Framework Agreement 2022, the Group may from time to time procure the information technology, digitalization and intelligentization services supplied by CR Digital Group, which mainly include (i) maintenance services for generic applications and operating systems, including daily maintenance, procurement of software, and licensing of software; (ii) specific implementation services, including development and implementation of unified application systems; (iii) IT infrastructure, including cloud platforms and hardware and software, and technical support services for the informatisation of traditional resource pool; and (iv) other services, including general contracting projects such as data security, smart manufacturing and smart parks, industrial internet of things (IIoT), and collection of externally applicable software licensing fees relating to localization of software.
Pricing policy:	The prices of the IT Services and Products shall be determined on arm's length basis through mutual negotiations by the parties with reference to the open market prices taking into account the service level, quality of services as well as other terms such as payment terms and time required for the provision of services and products.

Historically, CR Digital Group provided IT Services and Products to the Group in the ordinary course of business and on normal commercial terms, which constitute as de minimis transactions under Chapter 14A of the Listing Rules. Set out below are the approximate historical figures of the relevant procurement by the Group from CR Digital Group for the two years ended 31 December 2021 and the six months ended 30 June 2022:

	For the year ended 31 December		For the six months ended 30 June
	2020	2021	2022
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Procurement of IT Services and Products ⁽¹⁾	90	133	90

Note 1: The figures here include transactions from the Group's subsidiaries, joint ventures and associates.

The proposed annual caps for the IT Services and Products Procurement Framework Agreement 2022 for the three years ending 31 December 2025 are as follows:

	For the year ended 31 December		
	2023	2024	2025
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Procurement of IT Services and Products	300	350	400

Basis of determination of annual caps

In determining the proposed annual caps for the transactions contemplated under the IT Services and Products Procurement Framework Agreement 2022, the Company has taken into account the scope of services contemplated thereunder and considered, among others, (i) the historical amount of procurement of services by the Group from CR Digital Group; (ii) the expected enhancement of CR Digital Group's scope of services as compared to the service scope in the past (for example, data security, cloud platform services, software licensing fees collection, etc.); (iii) the expected increase in the Group's demand for the relevant services as the Group continues to expand its business, taking into account, among other things, the digitalization of the Group's operation; and (iv) the expected increase in average prices of the relevant services in the future.

6. THE PLATFORM AND MARKETING SERVICES AGREEMENT 2022

The Platform and Marketing Services Framework Agreement 2022

Parties:	The Company and Huawang Data
Date:	25 October 2022
Date of commencement:	1 January 2023
Term of the agreement:	Three years ending 31 December 2025 unless extended for a further period
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>

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 (iv) providing settlement support for any transactions using the Platform (the "**Platform Services**").

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 2022, 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 2022.

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 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.

Historically, 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 and on normal commercial terms. Reference is made to the announcement of the Company dated 25 October 2022 setting out the previous transactions between the Company and Huawang Data from 1 January 2022 to 30 September 2022 and the proposed annual caps under the Platform and Marketing Services Framework Agreement.

The proposed annual caps for the Platform and Marketing Services Framework Agreement 2022 for the three years ending 31 December 2025 are as follows:

	2023	2024	2025
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Marketing Services — paid by Huawang Data to the Group	200	400	600
Platform Services — paid by the Group to Huawang Data	400	600	900

Basis of determination of annual caps

In determining the proposed annual caps for the transactions contemplated under the Platform and Marketing Services Framework Agreement 2022, 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 2025; and (iii) the Group's projected demand for use of the Platform and changes in condition.

7. THE PROPERTY MANAGEMENT SERVICES FRAMEWORK AGREEMENT 2022

The Property Management Services Framework Agreement 2022

Parties:	CR Mixc Lifestyle and CRH
Date:	25 October 2022
Date of commencement:	1 January 2023
Term of the agreement:	Three years ending 31 December 2025 unless extended for a further period, subject to CR Mixc Lifestyle's independent shareholders' approval
Scope of services:	CR Mixc Lifestyle Group may, from time to time, provide property management services to the CRH Connected Persons for the residential and/or commercial properties and other properties developed and/or owned by them.
Pricing policy:	Subject to any guidance price which may be imposed by the governmental authorities, the property management fees shall be determined after arm's length negotiations with reference to (i) the type, location and size of the properties, (ii) the branding and positioning of the properties, (iii) the scope and standard of the services to be provided, (iv) the anticipated operational cost (including, among others, labor costs, material costs and administrative costs) for providing such services, (v) the customers profile, and (vi) the prevailing market rate for similar services in the open market and the historical charging rates.

Set out below are the approximate historical figures of the relevant transaction amounts between CR Mixc Lifestyle Group and CRH Connected Persons for the two years ended 31 December 2021 and the six months ended 30 June 2022:

	For the year ended 31 December		For the six months ended 30 June
	2020	2021	2022
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Property management fees received/to be received by the CR Mixc Lifestyle Group (for commercial properties)	202	191	103
Property management fees received/to be received by the CR Mixc Lifestyle Group (for residential properties and other non-commercial facilities)	32	38	27

The proposed annual caps for the Property Management Services Framework Agreement 2022 for the three years ending 31 December 2025 are as follows:

	For the year ended 31 December		
	2023	2024	2025
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Property management fees received by the CR Mixc Lifestyle Group (for commercial properties)	295	395	495
Property management fees received by the CR Mixc Lifestyle Group (for residential properties and other non-commercial facilities)	570	1,000	1,250
Total	865	1,395	1,745

Basis of determination of annual caps

The above proposed annual caps are determined with reference to:

- (1) for property management services for commercial properties specifically: the existing contracts and the number of existing pipeline projects the CR Mixc Lifestyle Group has with the CRH Connected Persons as of 25 October 2022 taking into account that six new projects (with an estimated gross floor area of approximately 300,000 sq. m.) are expected to commence during the three years ending 31 December 2025;

- (2) for property management fees for residential properties and other non-commercial properties: (a) the historical transaction amount and growth trend for the two years ended 31 December 2021 and the six months ended 30 June 2022; (b) the estimated additional total gross floor area under management for residential properties and other non-commercial properties of approximately 25 million sq. m. being delivered by the CRH Connected Persons for each of the years ending 31 December 2023, 2024 and 2025; (c) the historical average vacancy rate of the residential properties; and (d) the estimated fees per sq. m. at which management services will be charged;
- (3) the historical transaction amount for the two years ended 31 December 2021 and the six months ended 30 June 2022; and
- (4) the expected increase in the operational costs as incurred by the CR Mixc Lifestyle Group.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

The Strategic Cooperation Agreements 2022 will enable the Group to use the deposit and other financial services of CR Trust and CR Bank and to support their development within the CRI Group on normal commercial terms and on a scale which will not place the Group's resources at risk or affect its relationship with other financial institutions.

The Leasing and Concessionaire Framework Agreement 2022 is expected to continue to provide the Group with a secure and stable revenue source from high quality tenants. The Group owns a portfolio of properties including office buildings and shopping malls and other properties in various cities in the PRC. These properties are offered to the general public for leasing or concessionaire arrangements. Members of the CRH Group and associates of CRH are engaged in various businesses including but not limited to the manufacture and distribution of daily consumer goods as well as retail, investments and operation in infrastructure and public utilities projects. They have needs to lease properties, mainly office and retail outlet premises for their operations. The payments of the leasing or concessionaire arrangements are expected to be settled by way of cash on a monthly basis. It is in the commercial interests of the Group to lease some of its properties to members of the CRH Group and associates of CRH, given that they are usually tenants of high quality with low risk in respect to failure or deferral in making rental payments.

The Value-added Services Framework Agreement 2022 is consistent with the businesses and commercial objectives of the Group and is expected to increase the revenue and therefore profitability of the Group. As the CRH Group and associates of CRH have no expertise and management resources in property construction and decoration business, the transactions contemplated under the Value-added Services Framework Agreement 2022 allow the Group to provide such services to the CRH Group and associates of CRH in the ordinary course of business. In addition, the Group, the CRH Group and associates of CRH have their respective expertise in respect to construction materials procured and supplied, and the Group considers such to be beneficial to the Group's current and future operations.

The Lease Financing and Factoring Services Framework Agreement 2022 is expected to enable the Group to expand its financing channels, help the Group to optimise its asset structure, accelerate the efficiency of asset turnover, save costs, improve the efficiency of capital utilisation, broaden its financing channels and reduce its financing costs. The transactions are in line with the Company's overall development strategy and in the interests of the Company and its Shareholders as a whole.

The IT Services and Products Procurement Framework Agreement 2022 will enable the Group to procure the IT Services and Products provided by CR Digital Group to support the Group's business, to ensure a steady source of services which are of reliable quality, provide the Group with overall business and operational convenience and synergy, and to support the development within the CR Digital Group on normal commercial terms and on a scale which will not place the Group's resources at risk or affect its relationship with other independent third-party suppliers. Under IT Services and Products Procurement Framework Agreement 2022, the Group is not required to exclusively procure the IT Services and Products from CR Digital Group. The Board is of the view that the Group will retain the flexibility and discretion in selecting CR Digital Group and/or other independent suppliers based on arm's length negotiation and taking into account the commercial terms and factors of consideration.

The Platform and Marketing Services Framework Agreement 2022 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.

The Property Management Services Framework Agreement offers the CR Mixc Lifestyle Group with additional revenue by providing property management services, which are the principal business activities of the CR Mixc Lifestyle Group.

All Directors (including the independent non-executive Directors) consider that the New Continuing Connected Transaction Agreements were 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 the relevant terms and annual caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

GENERAL INFORMATION

CR Bank

CR Bank, a party to the CR Bank Strategic Cooperation Agreement 2022, is a licensed bank regulated by CBIRC and headquartered in Zhuhai. As at 30 September 2022, CR Bank had around 114 branches and sub-branches, comprising one head office, two branches (one in Hengqin and one in Zhuhai) and 37 sub-branches located in Zhuhai City, two branches (one in Qianhai and one in Shenzhen) and 27 sub-branches located in Shenzhen, one branch and five sub-branches located in Zhongshan City, one branch and nine sub-branches located in Foshan City, one branch and eight sub-branches located in Dongguan City, one branch and ten sub-branches located in Huizhou City, one branch and six sub-branches located in Guangzhou city, one branch located in Jiangmen City, one branch located in Zhaoqing City, and one rural bank in each of Deqing, Guangdong and Baise, Guangxi.

CR Bank has achieved tremendous growth in its operational scale, geographical coverage and capital base over the past years. The following table illustrates the growth of CR Bank's assets, deposits, loans and total equity over the period of five years from 31 December 2016 to 31 December 2021:

	As at 31 December		Percentage increase %
	2016 <i>RMB billion</i>	2021 <i>RMB billion</i>	
Total Assets	137.73	279.32	102.80
Deposits	81.43	186.67	129.24
Loans	62.98	152.27	141.78
Equity attributable to owners of the company	9.60	21.16	120.42

CR Digital

CR Digital is a company incorporated in the PRC with limited liability, it is wholly owned by China Resources Digital Holdings* (華潤數科控股有限公司), which is wholly-owned by CRI. CR Digital is principally engaged in digital and intelligent development. It is a national high-tech enterprise and a leading integrated service provider of digital intelligence and IT services and products.

CR Leasing

CR Leasing is a company incorporated under the laws of the PRC with limited liability and is held indirectly as to 81.36% by CRI. CR Leasing is principally engaged in lease financing services.

CR Mixc Lifestyle

CR Mixc Lifestyle is a limited liability company incorporated in the Cayman Islands on 18 May 2017. CR Mixc Lifestyle Group was mainly engaged in the provision of residential property management services and commercial operational and property management services in the PRC. As of the date of this announcement, CR Mixc Lifestyle is held as to approximately 72.29% by the Company.

CR Trust

CR Trust is a party to the CR Trust Strategic Cooperation Agreement 2022. As at the date of this announcement, CRI holds a 51% equity interest in CR Trust and the remaining 49% equity interest of CR Trust is held by Shenzhen Investment Holdings Co., Ltd. The registered capital of CR Trust is approximately RMB11 billion. With the headquarters located in Shenzhen, China, CR Trust is authorised by the relevant regulatory body to conduct business on a nationwide basis in the PRC.

CR Trust has achieved respectable growth in its operational scale, geographical coverage and capital base over the past years. The following table illustrates the growth of CR Trust's assets and total equity over a period of five years from 31 December 2016 to 31 December 2021:

	As at 31 December		Percentage increase %
	2016 <i>RMB billion</i>	2021 <i>RMB billion</i>	
Total Assets	18.98	33.03	74.03
Equity attributable to owners of the company	16.84	27.88	65.56
Trust assets under management	808.23	1308.94	61.95
Revenue for the year	3.00	4.59	53.00

CRH

CRH is a company incorporated in Hong Kong with limited liability and its holding company and ultimate beneficial owner is CRC, a state-owned enterprise under the supervision of SASAC.

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.

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 by CRI. Huawang Data is principally engaged in the provision of internet and related services.

The Group

The Group is principally engaged in the development and sales of developed properties, property investments and management, hotel operations and the provision of construction, decoration and other property development related services in the PRC.

The turnover, total assets and cash balance of the Group from 2020 to 2022 are as illustrated in the tables below:

	As at/ For the six months ended 30 June 2022 (Unaudited)	As at/ For the year ended 31 December 2021	As at/ For the year ended 31 December 2020	31 December 2020 to 31 December 2021	31 December 2021 to 30 June 2022
	<i>RMB billion</i>	<i>RMB billion</i>	<i>RMB billion</i>	Percentage increase %	Percentage increase %
Total assets	1011.0	949.8	869.0	9.3	6.4
Cash and bank balances	116.4	108.7	89.5	21.5	7.1
Turnover for the year/period	72.89	212.1	179.59	18.1	n/a

INTERNAL CONTROL MEASURES

The Group has implemented the following internal control measures in relation to the Group's 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, CRH and their respective associates are connected persons 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, holds approximately 70.28%, 51%, 81.36%, 100% and 100% of the registered capital of CR Bank, CR Trust, CR Leasing, CR Digital and Huawang Data respectively, CR Bank, CR Trust, CR Leasing, CR Digital and Huawang Data are connected persons of the Company under the Listing Rules.

As the applicable size test percentage ratios exceed 0.1% but are less than 5% in respect of the continuing connected transactions under the New Continuing Connected Transaction Agreements, the transactions contemplated thereunder are only subject to the reporting, annual review and announcement requirements but are exempted from the independent shareholders' approval requirements of the Listing Rules.

None of the Directors have a material interest in the transactions under the New Continuing Connected Transaction Agreements, and none of them abstained from voting on the relevant board resolutions approving the New Continuing Connected Transaction Agreements and the transactions contemplated thereunder.

OPINION OF INDEPENDENT FINANCIAL ADVISER

As the term of the certain type of leases to be entered into pursuant to the Leasing and Concessionaire Framework Agreement 2022 may exceed three years, pursuant to Rule 14A.52 of the Listing Rules, the Company has appointed Somerley as the independent financial adviser to advise the reasons for the relevant leases to have a term exceeding three years and to confirm that it is normal business practice for agreements of this type to be of such duration.

In arriving at its opinion, Somerley has reviewed, among other things, the information as set out in this announcement, the Leasing and Concessionaire Framework Agreement 2022 and information on certain existing leases entered into between the Group and independent third parties.

In order to understand the reasons for having duration of longer than three years for the leases of supermarkets and coffee shops to be entered into under the Leasing and Concessionaire Framework Agreement 2022 (the “**Leases**”), Somerley has discussed with the management of the Company and notes that (a) the longer duration of the Leases will enable the tenants of the Leases to minimise recurrence of expenses in relation to the initial set up and interior decoration of the properties; and (b) the business nature of the relevant tenancies of the Leases as retail operators needs to enter into long-term lease agreements in order to secure strategic and prime locations in highly competitive retail industry with the objectives to enhance customers’ loyalty and maintain stable sales revenue.

In considering whether it is normal business practice for lease agreements of similar nature to the Leases to have a term of such duration, Somerley has:

- (i) obtained and reviewed the exhaustive list of existing lease agreements entered into between the Group and independent third parties, which comprises 34 and 108 transactions involving the leasing of properties of the Group in the PRC to independent third parties for operations of supermarkets and coffee shops respectively;
- (ii) identified and reviewed 49 transactions involving the leasing of properties in the PRC for operations of supermarkets, which remain effective as at the date of this announcement, as disclosed by Hong Kong listed supermarket operators; and
- (iii) identified and reviewed the transactions involving the leasing of properties in the PRC for operation of restaurant as disclosed by Hong Kong listed restaurant operators (items (i), (ii) and (iii) above together, the “**Comparable Transactions**”).

Noteworthy, Somerley has extended its research by taking into account of leasing of properties in the PRC for operations of restaurants since (a) other than the Comparable Transactions relating to operations of coffee shops in the properties of the Group in the PRC in item (i) above, there is a limited number of the Comparable Transactions involving the leasing of properties in the PRC for operations of coffee shops by other Hong Kong listed companies that can be identified from the website of the Stock Exchange; and (b) there are similarities between operations of restaurants and coffee shops.

Based on the above, Somerley notes that (a) the durations of the 83 Comparable Transactions relating to operations of supermarkets, comprising 34 transactions in item (i) and 49 transactions in item (ii) above, range from approximately 7 to 21 years, of which 58 of these Comparable Transactions have lease terms of 15 years or above; (b) the durations of the 108 Comparable Transactions relating to operations of coffee shops in item (i) above range from approximately 4 months to 15 years, of which 80 of these 108 Comparable Transactions have lease terms of 10 years or above; and (c) the durations of the Comparable Transactions relating to operations of restaurants in item (iii) above range from approximately 1 to 20 years. Accordingly, the maximum duration of the Leases falls within the range of the durations of the Comparable Transactions.

Based on the above considerations, Somerley is of the opinion that the proposed duration of the Leases permissible under the Leasing and Concessionaire Framework Agreement 2022 is normal business practice for agreements of this type to be of such duration.

DEFINITIONS

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

“2019 Continuing Connected Transaction Agreements”	Together, (1) the Strategic Cooperation Agreements 2019; (2) the Leasing and Concessionaire Framework Agreement 2019; and (3) the Provision of Construction Services, Decoration Services, Furniture Services and Sales of Construction Material Framework Agreement 2019;
“associate(s)”	has the meaning ascribed thereto under the Listing Rules;
“Board”	the board of Directors of the Company;
“CBIRC”	China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會);
“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;
“Construction Caps”	the proposed maximum annual consideration to be paid by members of the CRH Group and associates of CRH to the Group for each of the three years ending 31 December 2025 in relation to the construction services to be rendered by the Group to members of the CRH Group and associates of CRH;
“Construction Material (Procurement) Caps”	the proposed maximum annual consideration to be paid by the Group to members of the CRH Group and associates of CRH for each of the three years ending 31 December 2025 in relation to the purchase of construction material by the Group from members of the CRH Group and associates of CRH;
“Construction Material (Sales) Caps”	the proposed maximum annual consideration to be paid by members of the CRH Group and associates of CRH to the Group for each of the three years ending 31 December 2025 in relation to the sales of construction material by the Group to members of the CRH Group and associates of CRH;

“CR Bank”	China Resources Bank of Zhuhai Co., Ltd. (珠海華潤銀行股份有限公司), a municipal bank headquartered in Zhuhai, in which CRI holds approximately 70.28% equity interest as at the date of this announcement;
“CR Bank Strategic Cooperation Agreement 2019”	the strategic cooperation agreement entered into by CR Bank and the Company on 9 December 2019;
“CR Bank Strategic Cooperation Agreement 2022”	the strategic cooperation agreement entered into by CR Bank and the Company on 25 October 2022;
“CR Digital”	China Resources Digital Technology Co., Ltd* (華潤數字科技有限公司) (formerly known as Resources Link Software Systems (Shenzhen) Company Limited* (潤聯軟件系統(深圳)有限公司)), a company incorporated in the PRC with limited liability, an indirect wholly-owned subsidiary of CRI;
“CR Digital Group”	CR Digital and its subsidiaries;
“CR Leasing” or “Lease Financing Company”	China Resources Finance Leasing Co., Ltd. (華潤融資租賃有限公司), a company incorporated in the PRC, held as to 81.36% by CRI as at the date of this announcement;
“CR Leasing Group”	CR Leasing and the Factoring Company;
“CR Mixc Lifestyle”	China Resources Mixc Lifestyle Services Limited (華潤萬象生活有限公司), a company incorporated with limited liability in Cayman Islands on May 18, 2017 and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1209);
“CR Mixc Lifestyle Group”	CR Mixc Lifestyle and its subsidiaries;
“CR Trust”	China Resources SZITIC Trust Co., Ltd. (華潤深國投信託有限公司), in which CRI holds 51% equity interest as at the date of this announcement;
“CR Trust Strategic Cooperation Agreement 2019”	the strategic cooperation agreement entered into by CR Trust and the Company on 9 December 2019;
“CR Trust Strategic Cooperation Agreement 2022”	the strategic cooperation agreement entered into by CR Trust and the Company on 25 October 2022;

“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;
“CRH Connected Persons”	CRH, its holding companies, their respective subsidiaries and their associates (excluding the Company and its associates);
“CRH Group”	CRH and its respective subsidiaries;
“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;
“CRI Group”	CRI, CRH and their respective subsidiaries;
“Decoration Caps”	the proposed maximum annual consideration to be paid by members of the CRH Group and associates of CRH to the Group for each of the three years ending 31 December 2025 in relation to the decoration services to be rendered by the Group to members of the CRH Group and associates of CRH;
“Directors”	the directors of the Company;
“Factoring Company”	China Resources Commercial Factoring (Tianjin) Co., Ltd. (華潤商業保理(天津)有限公司), formerly known as RUNXIN Commercial Factoring Co., Ltd. (潤鑫商業保理(天津)有限公司), a company incorporated in the PRC, a wholly-owned subsidiary of CR Leasing, held as to 81.36% by CRI;
“Factoring Services Framework Agreement 2021”	the framework agreement entered into between the Company and the Factoring Company on 27 August 2021 in relation to the commercial factoring and related consultation services arrangements between the Group and the Factoring Company for the term effective 27 August 2021 to 31 December 2022;
“Green Channel”	means the priority approval procedure for processing the financing applications of the Group provided by the Lease Financing Company/Factoring Company in compliance with the internal systems of the Lease Financing Company/Factoring Company (as applicable);

“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 Financial Adviser” or “Somerley”	Somerley Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO, being the independent financial adviser to the Company in relation to the Leasing and Concessionaire Framework Agreement 2022 pursuant to Rule 14A.52 of the Listing Rules;
“independent shareholders”	shareholders of the Company other than CRI and its associates, as defined in the Listing Rules;
“IT Services and Products”	Various type of IT services and products, which include (i) maintenance services for generic applications and operating systems, including daily maintenance, procurement of software, and licensing of software; (ii) specific implementation services, including development and implementation of unified application systems; (iii) IT infrastructure, including cloud platforms and hardware and software, and technical support services for the informatisation of traditional resource pool; and (iv) other services, including general contracting projects such as data security, smart manufacturing and smart parks, industrial internet of things (IIoT), and collection of externally applicable software licensing fees relating to localization of software, etc.;
“IT Services and Products Procurement Framework Agreement 2022”	the framework agreement entered into between the Company and CR Digital on 25 October 2022 in relation to the general financing leasing and related consultation services arrangements between the Group and the Lease Financing Company for the three years ending 31 December 2025;
“Lease Financing and Factoring Services Framework Agreement 2022”	the framework agreement entered into between the Company and CR Leasing on 25 October 2022 in relation to the general financing leasing, commercial factoring and related consultation services arrangements between the Group and CR Leasing Group for the three years ending 31 December 2025;

“Lease Financing Framework Agreement 2021”	the framework agreement entered into between the Company and the Lease Financing Company on 27 August 2021 in relation to the general financing leasing and related consultation services arrangements between the Group and the Lease Financing Company for the term effective 27 August 2021 to 31 December 2022;
“Leasing and Concessionaire Caps”	the proposed maximum annual consideration to be paid by members of the CRH Group and associates of CRH to the Group for each of the three years ending 31 December 2025 in relation to the leasing or concessionaire arrangements to be rendered by the Group to members of the CRH Group and associates of CRH;
“Leasing and Concessionaire Framework Agreement 2019”	the framework agreement entered into between the Company and CRH on 9 December 2019 in relation to the leasing and concessionaire arrangements between the Group and the CRH Group and associates of CRH for the three years ending 31 December 2022, the annual caps of which have been revised as detailed in the announcement of the Company dated 30 August 2021;
“Leasing and Concessionaire Framework Agreement 2022”	the framework agreement entered into between the Company and CRH on 25 October 2022 in relation to the leasing and concessionaire arrangements between the Group and the CRH Group and associates of CRH for the three years ending 31 December 2025;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time;
“New Continuing Connected Transaction Agreements”	Together, (1) the Strategic Cooperation Agreements 2022; (2) the Leasing and Concessionaire Framework Agreement 2022; (3) the Value-added Services Framework Agreement 2022; (4) the Lease Financing and Factoring Services Framework Agreement 2022; (5) the IT Services and Products Procurement Framework Agreement 2022; (6) Platform and Marketing Services Framework Agreement 2022 and (7) the Property Management Services Framework Agreement 2022;
“PBOC”	the People’s Bank of China (中國人民銀行), the central bank of the PRC;

“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 term effective 1 November 2022 to 31 December 2022;
“Platform and Marketing Services Framework Agreement 2022”	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 three years ending 31 December 2025;
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong and Macau Special Administrative Region);
“Provision of Construction Services, Decoration Services and Furniture Services and Sales of Construction Material Framework Agreement 2019”	the framework agreement entered into between the Company and CRH on 9 December 2019 in relation to the provision of construction, decoration and furniture services and sales of construction material by the Group to the CRH Group and associates of CRH for the three years ending 31 December 2022;
“RMB”	Renminbi, the lawful currency of the PRC;
“SASAC”	State-owned Assets Supervision and Administration Commission of the State Council;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Strategic Cooperation Agreements 2019”	the CR Bank Strategic Cooperation Agreement 2019 and the CR Trust Strategic Cooperation Agreement 2019;
“Strategic Cooperation Agreements 2022”	the CR Bank Strategic Cooperation Agreement 2022 and the CR Trust Strategic Cooperation Agreement 2022;
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;

“The Value-added Services
Framework Agreement
2022”

the framework agreement entered into between the Company and CRH on 25 October 2022 in relation to the provision of value-added services between the Group and the CRH Group and associates of CRH for the three years ending 31 December 2025; 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*