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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)

**SUPPLEMENTAL ANNOUNCEMENT
CONTINUING CONNECTED TRANSACTIONS
CONSTRUCTION MANAGEMENT SERVICE
FRAMEWORK AGREEMENT**

Reference is made to the announcement of China Resources Land Limited (the “**Company**”) dated 20 September 2024 (the “**Announcement**”) in relation to the continuing connected transactions contemplated under the Construction Management Service Framework Agreement (as defined in the Announcement). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Company would like to provide the following supplemental information in relation to the continuing connected transactions contemplated under the Construction Management Service Framework Agreement.

BASIS OF PRICING POLICY AND PRICING TERMS

As disclosed in the Announcement, the service fees payable by the CR Beverage Group to the Group under the Construction Management Service Framework Agreement (“**Service Fees**”) are determined based on arm’s length negotiations between the parties and with reference to the prevailing market rates, and the terms are no less favorable than those of similar services provided to any of the Group’s independent third party clients. The Company would like to supplement that, in addition to the afore-mentioned pricing policy and pricing terms, the Group has also adopted the following measures to ensure the Service Fees will be on normal commercial terms and no less favourable than that available to independent third parties.

- (a) the business department of the Group will gather market information on a regular basis to stay abreast of the market conditions for its business development. The information collated will form a database that also allows the Group to gauge the prevailing prices of comparable construction management service in the market, taking into account the applicable circumstances, including but not limited to the type and scale of the development project, schedule, cost, safety, quality, function, scope, technical

specifications and quality assurance requirements, for the purposes of checking if the Group adheres to the pricing policy for the Construction Management Service Framework Agreement;

- (b) prior to entering into any transaction as contemplated under the Construction Management Service Framework Agreement, the business department of the Group will review fee quotations then provided by the Group to independent third party clients for comparable scope of services and other transaction terms and compare those fee quotations. Should the Service Fees charged to CR Beverage Group as compared with those charged to other independent third parties differ materially and are less favourable to the Group, the business department of the Group should make adjustment to the Service Fees, the work scope and/or such other terms of the proposed agreement(s) for the provision of construction management services in the absence of valid commercial justifications; and
- (c) the business department of the Group will review regularly to see whether the Service Fees to be charged from CR Beverage Group adhere to the above pricing policies, and will check that the Service Fees are not lower than service fees offered to independent third party clients of the Group for comparable services and transaction terms, to ensure that the transactions under the Construction Management Service Framework Agreement are on terms no less favorable than the terms available to independent third parties and are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

PROPOSED ANNUAL CAPS AND HISTORICAL TRANSACTION AMOUNTS

The project construction funds payable by CR Beverage Group to the Group are costs to be charged by subcontractors. Under the Construction Management Service Framework Agreement, such funds payable by the CR Beverage Group are to be deposited into a specific account solely for settlement of costs charged by subcontractors. Shenzhen Runzhi Group will be holding the project construction funds as agent and will not have any beneficial interest in the funds to be received. This arrangement is consistent with the existing practice for construction management services under ongoing agreement(s) between the Group and the CR Beverage Group as of the date of this announcement. This historical amounts for services fees received by the Group from the CR Beverage Group for each of 2022 and 2023 as consideration for construction management services provided by the Group were then within the 0.1% de minimis threshold and were therefore fully exempted connected transactions under Rule 14A.76 of the Listing Rules.

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

PRC, 10 October 2024

As at the date of this announcement, the executive directors of the Company are Mr. Li Xin, Mr. Zhang Dawei, Mr. Guo Shiqing and Mr. Chen Wei; the non-executive directors of the Company are Mr. Dou Jian, Ms. Cheng Hong, Mr. Huang Ting and Mr. Wei Chenglin; and the independent non-executive directors of the Company are Mr. Zhong Wei, Mr. Sun Zhe, Mr. Frank Chan Fan, Mr. Leong Kwok-kuen, Lincoln and Ms. Qin Hong.