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MODERN LAND (CHINA) CO., LIMITED

當代置業(中國)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1107)

CONTINUING CONNECTED TRANSACTIONS

CONTINUING CONNECTED TRANSACTIONS

The Board is pleased to announce that on 17 November 2022, the Company entered into the following Continuing Connected Transactions Agreements with First Service, First Moma Renju Construction and First Moma Asset:

- (1) the Renewed Master Property Management Agreement;
- (2) the Renewed Master Contracting Services Agreement;
- (3) the Renewed Master Elevator Services Agreement; and
- (4) the Renewed Master Lease Agreement.

LISTING RULES IMPLICATIONS

As at the date of this announcement, (i) First Service is owned as to approximately 33.49% by Mr. Zhang Lei; (ii) First Moma Asset is owned as to 99.9% by Mr. Zhang Peng; and (iii) First Moma Renju Construction is an indirect wholly-owned subsidiary of First Service.

Mr. Zhang Lei is an executive Director and a controlling Shareholder and thus a connected person of the Company. Accordingly, each of First Service and First Moma Renju Construction is an associate of Mr. Zhang Lei and thus a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Mr. Zhang Peng is the chairman of the Board, the president of the Company and an executive Director. As such, First Moma Asset is an associate of Mr. Zhang Peng and a connected person of the Company under Rule 14A.07(4) of the Listing Rules. The transactions contemplated under each of the Continuing Connected Transactions Agreements will therefore constitute as continuing connected transactions of the Company under Chapter 14A of the Listing Rules, respectively.

As one or more applicable percentage ratio(s) (other than the profit ratio) in respect of the transactions contemplated under the Renewed Master Lease Agreement will exceed 0.1% but are all less than 5% on an annual basis, the transactions contemplated under the Renewed Master Lease Agreement are subject to the reporting, announcement and annual review requirements but exempted from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the transactions under each of the Renewed Master Contracting Services Agreement and the Renewed Master Property Management Agreement involve the Group being a recipient of services and are conducted within a 12-month period, the transactions thereunder shall be aggregated under Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratio(s) (as defined in Rule 14.07 of the Listing Rules) (other than the profit ratio) in respect of the transactions contemplated under the Renewed Master Contracting Services Agreement when aggregated with the Renewed Master Property Management Agreement for each of the three years ending 31 December 2023, 2024 and 2025 will exceed 5% on an annual basis and the annual consideration is more than HK\$10 million, the transactions contemplated under each of the Renewed Master Contracting Services Agreement and the Renewed Master Property Management Agreement are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratio(s) (other than the profit ratio) in respect of the transactions contemplated under the Renewed Master Elevator Services Agreement will exceed 5% on an annual basis and the annual consideration is more than HK\$10 million, the transactions contemplated under the Renewed Master Elevator Services Agreement are thus subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The EGM will be convened to consider and, if thought fit, approve the Renewed Master Property Management Agreement, the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and the transactions contemplated thereunder (including their respective annual caps). To the best of the Directors' knowledge, information and belief, as at the date of this announcement, save for Mr. Zhang Lei, Mr. Zhang Peng and their respective associates, no Shareholder is required to abstain from voting on the relevant resolutions to approve the Renewed Master Property Management Agreement, the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and their respective annual caps at the EGM, pursuant to Rule 14A.36 of the Listing Rules.

An Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in respect of the Renewed Master Property Management Agreement, the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and the transactions contemplated thereunder (including the respective annual caps). The Company has appointed VBG Capital as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Renewed Master Property Management Agreement, the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and the transactions contemplated thereunder (including their respective annual caps).

A circular containing, among other things, (i) details of the Renewed Master Property Management Agreement, the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and the transactions contemplated thereunder (including their respective annual caps); (ii) a letter from the Independent Board Committee containing its recommendations to the Independent Shareholders; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the EGM, is expected to be despatched to the Shareholders on or before 5 December 2022.

Since Mr. Zhang Lei is considered to have material interests in the transactions contemplated under each of the Renewed Master Property Management Agreement and the Renewed Master Contracting Services Agreement, he has not voted or been counted in the quorum on the Board resolutions for approving the said agreements and the transactions contemplated thereunder. Since Mr. Zhang Peng is considered to have material interests in the transactions contemplated under each of the Renewed Master Elevator Services Agreement and the Renewed Master Lease Agreement, he has not voted or been counted in the quorum on the Board resolutions for approving the said agreements and the transactions contemplated thereunder. Save and except for the aforesaid, none of the Directors has any material interest in any of the Continuing Connected Transactions Agreements and was required to abstain from voting on the Board resolutions to approve the Continuing Connected Transactions Agreements and the transactions contemplated thereunder.

CONTINUING CONNECTED TRANSACTIONS

References are made to the announcements of the Company dated 4 December 2019 and 1 April 2020 and the circular of the Company dated 27 May 2020 in relation to the 2019 Continuing Connected Transactions Agreements.

As the 2019 Continuing Connected Transactions Agreement will expire by the end of this year, on 17 November 2022, the Company entered into (i) the Renewed Master Property Management Agreement with First Service, (ii) the Renewed Master Contracting Services Agreement with First Moma Renju Construction, (iii) the Renewed Master Elevator Services Agreement with First Moma Asset and (iv) the Renewed Master Lease Agreement with First Moma Asset, pursuant to which the parties thereto will continue to conduct the relevant transactions contemplated under each of the Continuing Connected Transactions Agreements until 31 December 2025.

The principal terms of each of the Continuing Connected Transactions Agreements are as follows:

(1) Renewed Master Property Management Agreement

Date: 17 November 2022

Parties: (1) the Company (as recipient of service); and
(2) First Service (as service provider)

Term: 1 January 2023 to 31 December 2025

Nature of transactions: The First Service Group will provide property management services to the Group, which include but not limited to security, cleaning, maintenance, carpark management, gas station management, staff catering management services and other agreed services.

It is envisaged that from time to time and as required, members of the Group will enter into individual property management services agreements with members of the First Service Group which will set out specific terms and conditions such as the type of management service required, management fees and service period.

Management fees and pricing policy: The management fees will be determined by the parties having regard to the area of the properties served, fair market prices, historical management fees and costs of management services as required under the individual property management services agreement to be entered into between members of the Group and members of the First Service Group.

The management fees shall be determined in a fair and reasonable manner and the terms and conditions offered by the First Service Group to the Group shall be on an arm's length basis and on normal commercial terms, and shall not be less favorable than those of the same type of property management service offered to an Independent Third Party.

Payment terms: The payment terms shall be agreed between the parties under each individual property management agreement.

Historical transaction amount

The historical recognised management fees paid by the Group to the First Service Group for the two years ended 31 December 2020 and 2021 and the ten months ended 31 October 2022 are as follows:

	<i>RMB</i>
For the year ended 31 December 2020	111,298,466
For the year ended 31 December 2021	Not available*
For the ten months ended 31 October 2022	Not available*

* *The audit of the financial results of the Group for the year ended 31 December 2021 as well as the preparation of the management accounts of the Group for the ten months ended 31 October 2022 are still ongoing.*

Annual caps and basis for determining the annual caps

The annual caps for the Renewed Master Property Management Agreement for the three years ending 31 December 2025 are as follows:

	<i>RMB</i>
For the year ending 31 December 2023	40,000,000
For the year ending 31 December 2024	41,000,000
For the year ending 31 December 2025	44,000,000

In considering the annual caps for the Renewed Master Property Management Agreement, the Directors have considered the historical management fees and a number of factors including the fair market price, the costs associated with the expected area of the projects to be completed by the Group, such as property management fees payable by the Group in respect of the clubhouses, office districts, sales offices and vacant car parks and properties, costs of labor for the provision of cleaning, maintenance and security services, costs for setting up show flats, costs of heating, fresh air displacement ventilation fees, costs incurred as a result of reduced small owners' property management fees and costs of operation.

Reasons for and benefits of the Renewed Master Property Management Agreement

The First Service Group has been providing property management services to the Group for many years and has established good cooperation relationship with the Group. It is familiar with the property projects and the needs of the Group and the Directors believe that the continued provision of property management services by the First Service Group will enhance the development of the Group's business. The Directors (excluding the independent non-executive Directors whose views will be given after taking into account the advice of the Independent Financial Adviser) consider that the Renewed Master Property Management Agreement is entered into in the ordinary and usual course of business of the Group and on normal commercial terms; and the terms contained therein (including the annual caps stated above) are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

(2) Renewed Master Contracting Services Agreement

Date:	17 November 2022
Parties:	(1) the Company (as recipient of service); and (2) First Moma Renju Construction (as service provider)
Term:	1 January 2023 to 31 December 2025
Nature of transactions:	<p>The First Moma Renju Construction Group will provide contracting services to the Group, which include but not limited to design, supply of equipment and materials, installation, debugging, acceptance and maintenance of the haze clearing instruments systems and the energy machine room systems.</p> <p>It is envisaged that from time to time and as required, members of the Group will enter into individual contracting services agreement with members of the First Moma Renju Construction Group which will set out specific terms and conditions such as particulars of the services, service fees, payment terms and method, quality standard and service period.</p>
Service fees and pricing policy:	<p>The service fees will be determined by the parties having regard to the type of the properties developed by the Group, fair market prices, materials costs, labor costs and reasonable profit of the contracting services as required under the individual contracting services agreement to be entered into between members of the Group and members of the First Moma Renju Construction Group.</p> <p>The service fees shall be determined in a fair and reasonable manner and the terms and conditions offered by the First Moma Renju Construction Group to the Group shall not be less favorable than those of the same type of contracting services offered to an Independent Third Party.</p>
Payment terms:	The payment terms shall be agreed between the parties under each individual contracting services agreement.

Historical transaction amount

The historical recognised service fees paid by the Group to the First Moma Renju Construction Group for the two years ended 31 December 2020 and 2021 and the ten months ended 31 October 2022 are as follows:

	<i>RMB</i>
For the year ended 31 December 2020	28,383,490
For the year ended 31 December 2021	Not available*
For the ten months ended 31 October 2022	Not available*

* *The audit of the financial results of the Group for the year ended 31 December 2021 as well as the preparation of the management accounts of the Group for the ten months ended 31 October 2022 are still ongoing.*

Annual caps and basis for determining the annual caps

The annual caps for the Renewed Master Contracting Services Agreement for the three years ending 31 December 2025 are as follows:

	<i>RMB</i>
For the year ending 31 December 2023	8,000,000
For the year ending 31 December 2024	7,000,000
For the year ending 31 December 2025	7,000,000

In considering the annual caps for the Renewed Master Contracting Services Agreement, the Directors have considered the historical service fees and a number of factors including the estimated scale of the properties to be completed by the Group, the prevailing market rate for provision of similar contracting services, the expected demand of the haze clearing instruments, the estimated installation fee for each haze clearing instrument and the estimated costs of materials and labor.

Reasons for and benefits of the Renewed Master Contracting Services Agreement

First Moma Renju Construction's expertise and experience on installation of the haze clearing instruments systems and the energy machine room systems and other similar instruments and appliances in property development projects can provide better contracting services to the Group. The Directors (excluding the independent non-executive Directors whose views will be given after taking into account the advice of the Independent Financial Adviser) consider that the Renewed Master Contracting Services Agreement is entered into in the ordinary and usual course of business of the Group and on normal commercial terms; and the terms contained therein (including the annual caps stated above) are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

(3) Renewed Master Elevator Services Agreement

Date:	17 November 2022
Parties:	(1) the Company (as recipient of service); and (2) First Moma Asset (as service provider)
Term:	1 January 2023 to 31 December 2025
Nature of transactions:	<p>The First Moma Asset Group will provide installation and maintenance services of elevators and escalators and related services to the Group.</p> <p>It is envisaged that from time to time and as required, members of the Group will enter into individual elevator services agreements with members of the First Moma Asset Group which will set out specific terms and conditions such as the type of service required, service fees and service period.</p>
Service fees and pricing policy:	<p>The service fees will be determined by the parties having regard to the fair market prices, historical service fees and costs of installation and maintenance services of elevators and escalators and related services as required under the individual elevator services agreements to be entered into between members of the Group and members of the First Moma Asset Group.</p> <p>The service fees shall be determined in a fair and reasonable manner and the terms and conditions offered by the First Moma Asset Group to the Group shall be on an arm's length basis and on normal commercial terms, and shall not be less favorable than those of the same type of installation and maintenance services of elevators and escalators and related services offered by the First Moma Asset Group to an Independent Third Party.</p>
Payment terms:	The payment terms shall be agreed between the parties under each individual elevator services agreement.

Historical transaction amount

The historical recognised service fees paid by the Group to the First Moma Asset for the two years ended 31 December 2020 and 2021 and the ten months ended 31 October 2022 are as follows:

	<i>RMB</i>
For the year ended 31 December 2020	29,200,412
For the year ended 31 December 2021	Not available*
For the ten months ended 31 October 2022	Not available*

* *The audit of the financial results of the Group for the year ended 31 December 2021 as well as the preparation of the management accounts of the Group for the ten months ended 31 October 2022 are still ongoing.*

Annual caps and basis for determining the annual caps

The annual caps for the Renewed Master Elevator Services Agreement for the three years ending 31 December 2025 are as follows:

	<i>RMB</i>
For the year ending 31 December 2023	41,000,000
For the year ending 31 December 2024	46,000,000
For the year ending 31 December 2025	49,000,000

In considering the annual caps for the Renewed Master Elevator Services Agreement, the Directors have considered the historical service fees and a number of factors including the fair market price and the costs of installation and maintenance services of elevators and escalators and related services.

Reasons for and benefits of the Renewed Master Elevator Services Agreement

The First Moma Asset Group has been providing the installation and maintenance services of elevators and escalators and related services to the Group for many years and has established good cooperation relationship with the Group. It is familiar with the needs of the Group and the Directors believe that the continued provision of the installation and maintenance services of elevators and escalators and related services by the First Moma Asset Group will enhance the development of the Group's business. The Directors (excluding the independent non-executive Directors whose views will be given after taking into account the advice of the Independent Financial Adviser) consider that the Renewed Master Elevator Services Agreement is entered into in the ordinary and usual course of business of the Group and on normal commercial terms; and the terms contained therein (including the annual caps stated above) are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

(4) Renewed Master Lease Agreement

Date:	17 November 2022
Parties:	(1) the Company (as lessor); and (2) First Moma Asset (as lessee)
Term:	1 January 2023 to 31 December 2025
Nature of transactions:	<p>Members of the Group will lease certain properties to members of the First Moma Asset Group (excluding the First Property Group) during the term of the Renewed Master Lease Agreement.</p> <p>It is envisaged that, from time to time and as required, members of the Group will enter into individual lease agreements with members of the First Moma Asset Group (excluding the First Property Group), which will set out specific terms and conditions such as relevant property, rental fees and rental period.</p>
Rental fees and pricing policy:	<p>The rental fees are calculated based on the area available for lease in the projects completed by the Group during the years and the relevant commercial conditions under individual lease agreements.</p> <p>The rental fees shall be determined in a fair and reasonable manner and shall reflect the prevailing market rentals of similar or comparable premises in neighbouring areas based on available property rental market comparables, actual gross floor area of each of the leased properties and their potential appreciation in value. The terms and conditions offered by the Group to the First Moma Asset Group (excluding the First Property Group) shall be on an arm's length basis and on normal commercial terms, and shall not be more favorable than those for similar or comparable premises offered to an Independent Third Party.</p>
Payment terms:	The payment terms shall be agreed between the parties under each individual contracting services agreement.

Historical transaction amount

The historical recognised rental fees received by the Group from the First Moma Asset Group (excluding the First Property Group) for the two years ended 31 December 2020 and 2021 and the ten months ended 31 October 2022 are as follows:

	<i>RMB</i>
For the year ended 31 December 2020	1,782,319
For the year ended 31 December 2021	Not available*
For the ten months ended 31 October 2022	Not available*

* *The audit of the financial results of the Group for the year ended 31 December 2021 as well as the preparation of the management accounts of the Group for the ten months ended 31 October 2022 are still ongoing.*

Annual caps and basis for determining the annual caps

The annual caps for the Renewed Master Lease Agreement for the three years ending 31 December 2025 are as follows:

	<i>RMB</i>
For the year ending 31 December 2023	12,000,000
For the year ending 31 December 2024	13,000,000
For the year ending 31 December 2025	13,000,000

In considering the annual caps for the Renewed Master Lease Agreement, the Directors have considered the historical rental fees and a number of factors including the rental fees of comparable properties in the locality as well as similar locations, the prevailing market rates, the estimated increase of rental area and the expected growth of rental fees in the PRC property market.

Reasons for and benefits of the Renewed Master Lease Agreement

Leasing of properties is one of the principal businesses engaged by the Group. The renewal of transactions contemplated under the Renewed Master Lease Agreement will ensure a stable source of revenue during the term of the Renewed Master Lease Agreement and thus bring a positive financial impact on the Group. The Directors (including the independent non-executive Directors) consider that the Renewed Master Lease Agreement is entered into in the ordinary and usual course of business of the Group and on normal commercial terms; and the terms contained therein (including the annual caps stated above) are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

INTERNAL CONTROL MEASURES FOR THE CONTINUING CONNECTED TRANSACTIONS

The Directors are of the view that, in respect of the Continuing Connected Transactions Agreements, the Group has implemented complete internal control procedures and steps in executing the transaction terms including pricing policy and payment method of the continuing connected transactions under the relevant Continuing Connected Transactions Agreements.

To safeguard the interest of the Group, the Group has adopted and will continue to adopt the following internal control measures:

1. the relevant personnel of the Group will closely monitor the aggregate transactions of the Group under each of the Continuing Connected Transactions Agreements to ensure that the total consideration does not exceed the stipulated annual caps;
2. prior to entering into an individual agreement contemplated under the Continuing Connected Transactions Agreements, the relevant personnel of the Group will ensure the terms are negotiated on an arm's length basis and will be consistent with the principles and terms of the relevant Continuing Connected Transactions Agreements;
3. the relevant personnel 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 set out in the Continuing Connected Transactions Agreements and whether the consideration for the transactions are fair and reasonable and in accordance with the pricing policies set out in the Continuing Connected Transactions Agreements;
4. the Company's external auditors will conduct an annual review of the transactions under the Continuing Connected Transactions Agreements to ensure the transactions amount are within the annual caps and the transactions are conducted in accordance with the terms set out in the Continuing Connected Transactions Agreements; and
5. the Company's independent non-executive Directors will conduct an annual review of the status of the transactions under the Continuing Connected Transactions Agreements to ensure the Group has complied with its internal approval process, the terms of the Continuing Connected Transactions Agreements and the relevant Listing Rules.

INFORMATION OF THE PARTIES

The Company and the Group

The Company is incorporated in the Cayman Islands with limited liability and its Shares are listed on the Main Board of the Stock Exchange. The Group is a property developer focused on the development of green, energy-saving and eco-friendly residences in the PRC.

First Service

First Service is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on Main Board of the Stock Exchange (Stock Code: 2107), which is principally engaged in providing property management services and green living solutions that cover the full property life-cycle in the PRC. According to public information, as at the date of this announcement, First Service is held as to approximately 33.49%, 17.9% and 48.61% by Mr. Zhang Lei, Mr. Zhang Peng and other shareholders, respectively.

First Moma Renju Construction

First Moma Renju Construction is a company established in the PRC with limited liability, which is principally engaged in construction general contracting, professional contracting and technology development. It is an indirect wholly-owned subsidiary of First Service.

First Moma Asset

First Moma Asset is a company established in the PRC, which is principally engaged in the provision of asset management services. It is owned as to 99.9% by Mr. Zhang Peng and 0.1% by Mr. Long Han, a non-executive director of First Service and an Independent Third Party.

LISTING RULES IMPLICATIONS

As at the date of this announcement, (i) First Service is owned as to approximately 33.49% by Mr. Zhang Lei; (ii) First Moma Asset is owned as to 99.9% by Mr. Zhang Peng; and (iii) First Moma Renju Construction is an indirect wholly-owned subsidiary of First Service.

Mr. Zhang Lei is an executive Director and a controlling Shareholder and thus a connected person of the Company. Accordingly, each of First Service and First Moma Renju Construction is an associate of Mr. Zhang Lei and thus a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Mr. Zhang Peng is the chairman of the Board, the president of the Company and an executive Director. As such, First Moma Asset is an associate of Mr. Zhang Peng and a connected person of the Company under Rule 14A.07(4) of the Listing Rules. The transactions contemplated under each of the Continuing Connected Transactions Agreements will therefore constitute as continuing connected transactions of the Company under Chapter 14A of the Listing Rules, respectively.

As one or more applicable percentage ratio(s) (other than the profit ratio) in respect of the transactions contemplated under the Renewed Master Lease Agreement will exceed 0.1% but are all less than 5% on an annual basis, the transactions contemplated under the Renewed Master Lease Agreement are subject to the reporting, announcement and annual review requirements but exempted from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the transactions under each of the Renewed Master Contracting Services Agreement and the Renewed Master Property Management Agreement involve the Group being a recipient of services and are conducted within a 12-month period, the transactions thereunder shall be aggregated under Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratio(s) (as defined in Rule 14.07 of the Listing Rules) (other than the profit

ratio) in respect of the transactions contemplated under the Renewed Master Contracting Services Agreement when aggregated with the Renewed Master Property Management Agreement for each of the three years ending 31 December 2023, 2024 and 2025 will exceed 5% on an annual basis and the annual consideration is more than HK\$10 million, the transactions contemplated under each of the Renewed Master Contracting Services Agreement and the Renewed Master Property Management Agreement are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratio(s) (other than the profit ratio) in respect of the transactions contemplated under the Renewed Master Elevator Services Agreement will exceed 5% on an annual basis and the annual consideration is more than HK\$10 million, the transactions contemplated under the Renewed Master Elevator Services Agreement are thus subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The EGM will be convened to consider and, if thought fit, approve the Renewed Master Property Management Agreement, the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and the transactions contemplated thereunder (including their respective annual caps). To the best of the Directors' knowledge, information and belief, as at the date of this announcement, save for Mr. Zhang Lei, Mr. Zhang Peng and their respective associates, no Shareholder is required to abstain from voting on the relevant resolutions to approve the Renewed Master Property Management Agreement, the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and their respective annual caps at the EGM, pursuant to Rule 14A.36 of the Listing Rules.

An Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in respect of the Renewed Master Property Management Agreement, the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and the transactions contemplated thereunder (including the respective annual caps). The Company has appointed VBG Capital as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Renewed Master Property Management Agreement, the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and the transactions contemplated thereunder (including their respective annual caps).

A circular containing, among other things, (i) details of the Renewed Master Property Management Agreement, the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and the transactions contemplated thereunder (including their respective annual caps); (ii) a letter from the Independent Board Committee containing its recommendations to the Independent Shareholders; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the EGM, is expected to be despatched to the Shareholders on or before 5 December 2022.

Since Mr. Zhang Lei is considered to have material interests in the transactions contemplated under each of the Renewed Master Property Management Agreement and the Renewed Master Contracting Services Agreement, he has not voted or been counted in the quorum on the Board resolutions for approving the said agreements and the transactions contemplated thereunder. Since Mr. Zhang Peng is considered to have material interests in the transactions contemplated under each of the Renewed Master Elevator Services Agreement and the Renewed Master Lease Agreement, he has not voted or been counted in the quorum on the Board resolutions for approving the said agreements and the transactions contemplated thereunder. Save and except for the aforesaid, none of the Directors has any material interest in any of the Continuing Connected Transactions Agreements and was required to abstain from voting on the Board resolutions to approve the Continuing Connected Transactions Agreements and the transactions contemplated thereunder.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“2019 Continuing Connected Transactions Agreements”	the renewed master property management agreement dated 4 December 2019, the master contracting services agreement dated 4 December 2019, the renewed master lease agreement dated 4 December 2019 (as supplemented by the supplemental agreement dated 1 April 2020) and the master elevator services agreement dated 1 April 2020 entered into by the Company. For details, please refer to the announcements of the Company dated 4 December 2019 and 1 April 2020
“associate(s)”	has the meaning given to it under the Listing Rules
“Board”	the board of Directors
“Company”	Modern Land (China) Co., Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1107)
“connected person(s)”	has the meaning given to it under the Listing Rules
“Continuing Connected Transactions Agreements”	collectively, the Renewed Master Property Management Agreement, the Renewed Master Contracting Services Agreement, the Renewed Master Elevator Services Agreement and the Renewed Master Lease Agreement
“Director(s)”	the director(s) of the Company

“EGM”	an extraordinary general meeting of the Company to be convened for the Independent Shareholders to consider and, if thought fit, and approve by poll, among other things, the Renewed Master Property Management Agreement, the Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and the transactions contemplated thereunder (including their respective annual caps)
“First Moma Asset”	First Moma Asset Management (Beijing) Co., Ltd., a company established in the PRC with limited liability
“First Moma Asset Group”	First Moma Asset and its subsidiaries
“First Moma Renju Construction”	First Moma Renju Construction Engineering (Beijing) Co., Ltd., a company established in the PRC with limited liability
“First Moma Renju Construction Group”	First Moma Renju Construction and its subsidiaries, holding company or a fellow subsidiary of its holding company
“First Property Group”	First Property Management (Beijing) Co., Ltd (a company established in the PRC with limited liability) and its subsidiaries
“First Service”	First Service Holding Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on Main Board of the Stock Exchange (Stock Code: 2107)
“First Service Group”	First Service and its subsidiaries
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, namely Mr. Cui Jian, Mr. Hui Chun Ho, Eric and Mr. Gao Zhikai, formed to advise the Independent Shareholders in respect of the Renewed Master Property Management Agreement, the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and the transactions contemplated thereunder (including their respective annual caps)

“Independent Financial Adviser” or “VBG Capital”	VBG Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), is the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Renewed Master Property Management Agreement the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement and the transactions contemplated thereunder (including their respective annual caps)
“Independent Shareholders”	shareholders who are not prohibited from voting at the EGM in respect with the Renewed Master Property Management Agreement the Renewed Master Contracting Services Agreement and the Renewed Master Elevator Services Agreement, and the transactions contemplated thereunder (including their respective annual caps)
“Independent Third Party(ies)”	third party(ies) independent of the Company and are not connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Renewed Master Contracting Services Agreement”	the renewed master agreement entered into between First Moma Renju Construction and the Company dated 17 November 2022 for the provision of contracting services by the First Moma Renju Construction Group to the Group
“Renewed Master Elevator Services Agreement”	the renewed master agreement entered into between First Moma Asset and the Company dated 17 November 2022 for the provision of installation and maintenance services of elevators and escalators and related services by the First Moma Asset Group to the Group
“Renewed Master Lease Agreement”	the renewed master agreement entered into between the Company and First Moma Asset dated 17 November 2022 for the leasing of certain properties of the Group to the First Moma Asset and/or any of its subsidiaries other than members of the First Property Group
“Renewed Master Property Management Agreement”	the renewed master agreement entered into between First Service and the Company dated 17 November 2022 for the provision of property management services by the First Service Group to the Group

“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the share(s) of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

In this announcement, the English names of the PRC entities are translation of their Chinese names, and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.

By order of the Board
Modern Land (China) Co., Limited
Zhang Peng
Chairman, President and Executive Director

Hong Kong, 17 November 2022

As at the date of this announcement, the Board comprises eight Directors, namely executive Directors: Mr. Zhang Peng, Mr. Zhang Lei and Mr. Chen Yin; non-executive Directors: Mr. Tang Lunfei and Mr. Zeng Qiang; and independent non-executive Directors: Mr. Cui Jian, Mr. Hui Chun Ho, Eric and Mr. Gao Zhikai.