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(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2868)

DISCLOSABLE TRANSACTION PROVISION OF FUNDS TO JOINT VENTURE COMPANY

Reference is made to the announcements of the Company dated 15 July 2019 in relation to the provision of guarantee to the JV Company to develop the Site project located at Shiwei Road, Zengjiang Street, Zengcheng District, Guangzhou.

On 19 June 2020, Shenzhen Capital and the JV Company entered into the Agreement in relation to, among other things, the provision of funds of not more than RMB102,000,000 to the JV Company by way of shareholders' loan, with a term of not more than two years, for Guangzhou Biqing to repay the borrowing from financial institution. The JV Company principally engages in the residential property development of the Site located in Shiwei Road, Zengjiang Street, Zengcheng District, Guangzhou through its wholly-owned company, Guangzhou Biqing.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) for the transaction under the Agreement (together with the Previous Guarantee Agreement) exceed 5% but less than 25%, the transaction under the Agreement constitutes a disclosable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

Reference is made to the announcements of the Company dated 15 July 2019 in relation to the provision of guarantee to the JV Company to develop the Site project located at Shiwei Road, Zengjiang Street, Zengcheng District, Guangzhou.

On 19 June 2020, Shenzhen Capital and the JV Company entered into the Agreement in relation to, among other things, the provision of funds of not more than RMB102,000,000 to the JV Company by way of shareholders' loan, with a term of not more than two years, for Guangzhou Biqing to repay the borrowing from financial institution. The JV Company principally engages in the residential property development of the Site located in Shiwei Road, Zengjiang Street, Zengcheng District, Guangzhou through its wholly-owned company, Guangzhou Biqing.

THE AGREEMENT

The principal terms of the Agreement are set out below:

Date: 19 June 2020

Parties: (a) Shenzhen Capital; and
(b) the JV Company.

To the best of Directors' knowledge, information and belief, having made all reasonable enquiries, the JV Company and their ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Pursuant to the Agreement, Shenzhen Capital agreed to provide an amount of not more than RMB102,000,000 to The JV Company, followed by the provision of capital from the JV Company to Guangzhou Biqing to repay its borrowing from financial institution, with a term of not more than two years. The amount calculated based on the funds requirement, pro-rata to its 51% equity interests, for Guangzhou Biqing to repay its borrowing from financial institution.

The Company shall finance its capital commitment under the JV Company by the internal resources of the Group.

The funds provided to the JV Company were determined by arm's length negotiation between the parties, taking into account the repayment of the borrowing from financial institution by Guangzhou Biqing.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENT

As stated in the announcement of the Company dated 19 November 2018, the Group, Guangzhou Country Garden and the JV Company entered into the Cooperation Agreement and subsequent supplemental agreement(s) to develop the Site project located in Shiwei Road, Zengjiang Street, Zengcheng District, Guangzhou and provide fund in proportion to the respective shareholding in accordance with the requirement under the Cooperation Agreement. Therefore, the provision of funds to develop such project (including the repayment of project loan) is an ordinary and usual business of the Group. As stated in the announcement of the Company dated 15 July 2019, the Company has provided a guarantee for such borrowing from financial institution, therefore, the provision of fund to repay the borrowing from financial institution would not increase the total commitment of the Group in the JV Company.

The Board considers that the entering into the Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole and the terms of which are on normal commercial terms and are fair and reasonable.

INFORMATION OF THE COMPANY AND THE PARTIES

The Company

The Company is a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Stock Exchange (Stock code: 2868). The Company is a leading large scale integrated real estate developer in the PRC, focusing primarily on developing the four main business streams of residential properties, outlets, urban core integrated complex and primary land development, complemented by innovative business areas such as high-tech industrial properties, cultural and creative industries and rental housing.

JV Company

The JV Company is a company incorporated in the PRC with limited liability, which engages in the development of the Site located in Shiwei Road, Zengjiang Street, Zengcheng District, Guangzhou mainly through holding Guangzhou Biqing. As at the date of this announcement, the JV Company, being a joint venture of the Company, is held as to 51% and 49% by Shenzhen Capital and Guangzhou Country Garden, respectively.

Shenzhen Capital

Shenzhen Capital is a company incorporated under the laws of the PRC with limited liability and a direct wholly-owned subsidiary of the Company. Shenzhen Capital is principally engaged in property development and investment in the PRC.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) for the transaction under the Agreement (together with the Previous Guarantee Agreement) exceed 5% but less than 25%, the transaction under the Agreement constitutes a disclosable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following terms and expressions have the meanings set forth below unless otherwise defined:

“Agreement”	Shenzhen Capital and the JV Company entered into the agreement on 19 June 2020 in relation to, among other things, the provision of capital of not more than RMB102,000,000 to the JV Company by way of shareholders’ loan, with a term of not more than two years, for Guangzhou Biqing to repay the borrowing from financial institution.
“Board”	the board of Directors of the Company
“Company”	Beijing Capital Land Ltd. (首創置業股份有限公司), a joint stock company incorporated under the laws of the PRC with limited liability whose H shares are listed on the Main Board of the Stock Exchange (stock code: 2868)
“Connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Cooperation Agreement”	the cooperation agreement entered into between Shenzhen Capital, Guangzhou Country Garden and the JV Company on 25 May 2018 in relation to, among other things, capital injection from Shenzhen Capital into the JV Company by way of subscription to acquire 51% equity interests in the JV Company, and to provide fund to the JV Company for the purpose of site development
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guangzhou Biqing”	Guangzhou Biqing Real Estate Development Co., Ltd.* (廣州碧慶房地產開發有限公司), a company incorporated in the PRC with limited liability, and a wholly-owned subsidiary of the JV Company with 100% ownership of the site
“Guangzhou Country Garden”	Guangzhou Country Garden Real Estate Development Co., Ltd.* (廣州碧桂園房地產開發有限公司), a company incorporated in the PRC with limited liability, and a wholly-owned subsidiary of Country Garden Holdings Company Limited (listed on the Stock Exchange, stock code: 2007)
“H Share(s)”	the ordinary shares of RMB1.00 each of the Company which are issued outside the PRC, listed on the Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV Company”	Guangzhou Biqing Real Estate Development Co., Ltd.* (廣州碧慶房地產開發有限公司), a company incorporated in the PRC with limited liability. As at the date of this announcement, it is subscribed as to 51% and 49% by Shenzhen Capital and Guangzhou Country Garden, respectively, and it is a joint venture of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)

“PRC”	the People’s Republic of China, excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan
“Previous Guarantee Agreement”	the guarantee agreement entered into between the Company and Industrial Bank on 15 July 2019, in which the Company agreed to provide a guarantee in a guarantee amount of not more than RMB 357,000,000 for a loan offered to Guangzhou Biqing by Industrial Bank Co., Ltd. Guangzhou Branch
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Shenzhen Capital”	Shenzhen Capital Investment Real Estate Co., Ltd. (深圳首創投資置業有限公司), a company incorporated under the laws of the PRC with limited liability, and a wholly-owned subsidiary of the Company
“Site”	a piece of land located at Shiwei Road, Zengjiang Street, Zengcheng District, Guangzhou, the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percentage

By Order of the Board
Beijing Capital Land Ltd.
Lee Sze Wai
Company Secretary

Hong Kong, 19 June 2020

The Board as of the date of this announcement comprises Mr. Li Songping (Chairman) who is the non-executive Director, Mr. Zhong Beichen (President), Mr. Li Xiaobin, Mr. Hu Weimin and Mr. Fan Shubin who are the executive Directors, Mr. Su Jian who is the non-executive Director, Mr. Li Wang, Mr. Wong Yik Chung, John and Mr. Liu Xin who are the independent non-executive Directors.