

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.



首創置業股份有限公司

BEIJING CAPITAL LAND LTD.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2868)

DISCLOSEABLE TRANSACTION PROVISION OF GUARANTEES

On 22 December 2015, the Company entered into the Guarantee Agreement in favour of Bank, pursuant to which the Company agreed to provide Guarantee in respect of the repayment obligations of the Loan granted to the Borrower (a joint venture owned as to 35% by Shangboya, a wholly-owned subsidiary of the Company) by the Bank for a term from the date of drawdown to the date of settlement of the Loan.

As one or more than one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) exceed 5% but are all less than 25%, the transaction constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirement under Chapter 14 of the Listing Rules.

On 22 December 2015, the Company entered into the Guarantee Agreement in favour of Bank, pursuant to which the Company agreed to provide Guarantee in respect of the repayment obligations of the Loan granted to the Borrower (a joint venture owned as to 35% by Shangboya, a wholly-owned subsidiary of the Company) by the Bank for a term from the date of drawdown to the settlement of the Loan.

THE GUARANTEE AGREEMENT

Date: 22 December 2015

Parties: (1) the Company as guarantor
(2) the Bank as the lender of the Loan

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Bank and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Pursuant to the Guarantee Agreement, the Company agreed to provide a joint guarantee which is equivalent to 50% of the Loan, that is in the principal amount of RMB600,000,000, in respect of the repayment obligations of the Loan granted to the Borrower. Scope of Guarantee shall include the amount of the principal together with any interest, penalties, liquidated damages, other relevant expenses for the realisation of the Bank's rights incurred, for a term from the date of drawdown to the settlement of the Loan.

REASONS FOR AND BENEFITS OF THE PROVISION OF GUARANTEE

The Borrower entered into a facility agreement with the Bank in relation to the grant of Loan for financing Jinhaihu primary land development project located in Pinggu, Beijing. At the requests of the Bank, the shareholders of the Borrower shall provide guarantee for the Loan. Small Town Development Fund, according to its policy and partnership agreement, is unable to provide external guarantee, therefore, each of the Company and Jiaming Investment, a shareholder of Beijing Jiaming, agreed to provide a joint guarantee for the Loan in the amount equivalent to 50% of the Loan. In return, the Borrower shall pay a guarantee fee of 0.7% per annum to the Company.

The Directors consider that the provision of the Guarantee can facilitate the granting of the Loan to the Borrower for the Jinhaihu Project and provide guarantee fee income to the Company. Although Small Town Development Fund cannot provide its guarantee for the Loan, its participation will facilitate the authorities approval progress and gain support for district infrastructure from the government of Beijing.

Therefore, the Directors are of the view that the Guarantee Agreement was entered into on normal commercial terms, and the terms and conditions therein are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE COMPANY, THE BANK AND THE BORROWER

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 Group is a large property developer in the PRC, focusing primarily on developing and investing in commercial properties, outlets-backed integrated properties and medium to high-end residential properties, operation of hotels, property consulting services and investment holding.

The Bank

The Bank is a licensed commercial bank in the PRC.

The Borrower

The Borrower is a company established in the PRC with limited liability and a joint venture of the Company. As at the date of the announcement, the Borrower is held as to 35%, 35% and 30% by Shangboya, Beijing Jiaming and Small Town Development Fund, both of which being third parties independent of the Company and its connected persons, respectively. The principal activities of the Borrower are project investment and management, real estate development, sales of properties and property management.

LISTING RULES IMPLICATIONS

As one or more than one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) exceed 5% but are all less than 25%, the transaction constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meaning ascribed to them below:

“Bank”	a licensed commercial bank in the PRC, being the lender of the Loan
“Beijing Jiaming”	Beijing Jiaming Real Estate Development Co., Ltd.* (北京嘉銘房地產開發有限責任公司), a company established in the PRC with limited liability and a third party independent of the Company and its connected persons. As at the date of this announcement, the Borrower is held as to 35% by Beijing Jiaming
“Board”	the board of directors of the Company
“Borrower”	Capital Jiaming New Town Investment Co., Ltd.* (首創嘉銘新城鎮投資發展有限公司), a company established in the PRC with limited liability and a joint venture 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 and whose H shares are listed and traded on the main board of the Hong Kong Stock Exchange
“connected persons”	having the meaning ascribed to such term in the Listing Rules

“Director	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantee”	a joint guarantee to be provided by the Company in favour of the Bank which is equivalent to 50% of the Loan, that is in the principal amount of RMB600,000,000, together with any interest, penalties, liquidated damages, other relevant expenses for the realisation of the Bank’s rights incurred
“Guarantee Agreement”	a guarantee agreement dated 22 December 2015 entered into between the Company and Bank in respect of the provision of the Guarantee for a term from the date of drawdown to the date of settlement of the Loan
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jiaming Investment”	Jiaming Investment Ltd.* (嘉銘投資有限公司), a company established in the PRC with limited liability and a third party independent of the Company and its connected persons. As at the date of this announcement, Beijing Jiaming is held as to 95% by Jiaming Investment
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan in the amount of up to RMB1,200,000,000 made available by the Bank to the Borrower for a term of three years from the date of drawdown at an interest rate of People’s Bank of China under the same period and same grade +10%, and the prevailing interest rate is 5.225% per annum, and each of the Company and Jiaming Investment agreed to provide a joint guarantee in the amount equivalent to 50% of the Loan
“PRC”	the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shangboya”	Beijing Shangboya Investment Consultant Co., Ltd.* (北京尚博雅投資顧問有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company

“Small Town Development Fund” Beijing Small Town Development Fund (Limited Partnership)* (北京市小城镇发展基金(有限合伙)), a limited partnership established in the PRC and a third party independent of the Company and its connected persons. As at the date of this announcement, the Borrower is held as to 30% by Small Town Development Fund

“Stock Exchange” The Stock Exchange of Hong Kong Limited

* *The English name is a translation of its Chinese name and is included for identification purposes only.*

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

Hong Kong, 22 December 2015

The Board as of the date of this announcement comprises Mr. Wang Hao (Chairman), Mr. Tang Jun (President) and Mr. Zhang Shengli who are the Executive Directors, Mr. Liu Xiaoguang, Mr. Song Fengjing and Mr. Shen Jianping who are the Non-Executive Directors, Mr. Ng Yuk Keung, Mr. Wang Hong and Mr. Li Wang who are the Independent Non-Executive Directors.