

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 EQUITY TRANSFER AGREEMENT

The Board is pleased to announce that the Company and IFC entered into the Equity Transfer Agreement with ZHC Fund and CYH on 25 December 2015. Pursuant to the Equity Transfer Agreement, the Vendors agreed to dispose of and the Purchasers agreed to acquire 100% equity interests in Central Plaza Xinrong at a consideration of RMB624,400,000. The Purchasers further agreed to repay the Shareholders' Loan in the amount of RMB472,378,591.31 to the Vendors.

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.

The Board is pleased to announce that the Company and IFC entered into the Equity Transfer Agreement with ZHC Fund and CYH on 25 December 2015. Pursuant to the Equity Transfer Agreement, the Vendors agreed to dispose of and the Purchasers agreed to acquire 100% equity interests in Central Plaza Xinrong at a consideration of RMB624,400,000. The Purchasers further agreed to repay the Shareholders' Loan in the amount of RMB472,378,591.31 to the Vendors.

EQUITY TRANSFER AGREEMENT

Date: 25 December 2015

Parties:

- (1) the Company and IFC as vendors; and
- (2) ZHC Fund and CYH as the purchasers

As at the date of this announcement:

- (1) ZHC Fund is held as to 2.7%, 13.51% and 83.79% equity interests by CYH as a general partner and Ruiyuan Zhonghe and Tonghua Qiangyu as limited partners respectively;
- (2) Tonghua Qiangyu is directly-held as to 40% equity interests by the Company and CYH is a wholly-owned subsidiary of Tonghua Qiangyu;
- (3) Ruiyuan Zhonghe is indirectly-held as to 40% equity interests by the Company; and
- (4) Each of ZHC Fund, CYH, Tonghua Qiangyu and Ruiyuan Zhonghe is classified as a joint venture of the Company.

Save for disclosed above, to the best of the Directors' knowledge, information and belief, after making all reasonable enquiries, the Purchasers and its ultimate beneficial owner are independent third parties not connected with the Company and its connected persons.

Assets to be disposed of: 100% equity interests in Central Plaza Xinrong

Consideration: RMB624,400,000

RMB550,550,000 shall be settled by the Purchasers to Vendors before 30 December 2015 and the remaining RMB73,850,000 shall be settled on or before 30 April 2016.

Pursuant to the Equity Transfer Agreement, the Purchasers further agreed to repay the Shareholders' Loan in the amount of RMB472,378,591.31 to the Vendors on or before 30 April 2016.

The consideration was based on the base price of open offer through Beijing Equity Exchange (北京產權交易所), taking into consideration of the equity valuation of Central Plaza Xinrong amounted to approximately RMB524,407,000 as at 31 August 2015 prepared by Beijing Pan-China Assets Appraisal Co. Ltd. (北京天健興業資產評估有限公司).

Completion

The Disposal will be completed on the date when the transfer procedures of both parties are completed.

INFORMATION OF CENTRAL PLAZA XINRONG

Central Plaza Xinrong is a limited liability company established under the laws of the PRC on 25 June 2008 and is principally engaged in hotel management. Central Plaza Xinrong holds the property of Holiday Inn Central Plaza Beijing, which is located in Xicheng District, Beijing. As at the date of the announcement, Central Plaza Xinrong is held as to 75% and 25% equity interests by the Company and IFC respectively.

For each of the two years ended 31 December 2013 and 2014, the audited loss before and after tax of Central Plaza Xinrong were as follows:

For the year ended 31 December	2013 <i>(RMB'000)</i>	2014 <i>(RMB'000)</i>
Loss (before tax and after tax)	25,266	15,217

The audited net asset value of Central Plaza Xinrong as at 31 August 2015 was approximately RMB(144,464,000).

Upon the completion of Disposal, Central Plaza Xinrong will be held as to 0.1% and 99.9% equity interests by CYH and ZHC Fund respectively and will be ceased to be a subsidiary but a joint venture of the Company.

USE OF PROCEEDS AND FINANCIAL EFFECT OF THE TRANSACTION

It is the current intention of the Company that the proceeds arising from the Disposal shall be used by the Company as general working capital. It is expected the Company will record an unaudited gain of approximately RMB399,270,000 from the disposal.

INFORMATION ON THE COMPANY AND COUNTERPARTIES

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.

IFC

IFC is a company incorporated under the laws of BVI with limited liability and a wholly-owned subsidiary of the Company. The principal activity of IFC is investment holding.

ZHC Fund

ZHC Fund is a limited partnership established under the laws of the PRC and a joint venture of the Company. The principal activity of ZHC Fund is equity investment. As at the date of this announcement, ZHC Fund is held as to 2.7%, 13.51% and 83.79% equity interests by CYH as a general partner and Ruiyuan Zhonghe and Tonghua Qiangyu as limited partners respectively.

Tonghua Qiangyu

Tonghua Qiangyu is a limited liability company established under the laws of the PRC and a limited partner of ZHC Fund. The principal activity of Tonghua Qiangyu is investments management. As at the date of this announcement, Tonghua Qiangyu is directly-held as to 40% and 60% equity interests by the Company and Independent Third Parties respectively.

CYH

CYH is a limited liability company established under the laws of the PRC and a general partner of ZHC Fund. The principal activities of CYH are project investments and investments management. As at the date of this announcement, CYH is a wholly-owned subsidiary of Tonghua Qiangyu.

Ruiyuan Zhonghe

Ruiyuan Zhonghe is a limited liability company established under the laws of the PRC and a limited partner of ZHC Fund. The principal activities of Ruiyuan Zhonghe are project investments and investments management. As at the date of this announcement, Ruiyuan Zhonghe is indirectly-held as to 40% and 60% equity interests by the Company and Independent Third Parties respectively.

REASONS AND BENEFITS OF THE TRANSACTION

The Directors consider that the Disposal will facilitate to speed up the turnover cycle of the Group's non-core assets, realize the gain from property appreciation, increase liquidity, which allow the Group to focus in its core businesses and optimize the asset structure of the Company as well as enhancing the revenue.

The Directors are of the view that the Equity Transfer 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.

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:

“Board”	the board of directors of the Company
“BVI”	British Virgin Islands
“Central Plaza Xinrong”	Beijing Central Plaza Xinrong Hotel Management Co., Ltd.* (北京中環鑫融酒店管理有限公司), a limited liability company established under the laws of the PRC. As at the date of the announcement, Central Plaza Xinrong is held as to 75% and 25% equity interests by the Company and IFC respectively
“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
“CYH”	Beijing Chuangyuanhui Capital Management Co., Ltd.* (北京創元匯資本管理有限公司), a limited liability company established under the laws of the PRC, a general partner of ZHC Fund and a joint venture of the Company. As at the date of this announcement, CYH is a wholly-owned subsidiary of Tonghua Qiangyu
“Director”	the director(s) of the Company
“Disposal”	the transaction in relation to the disposal of 100% equity interests in Central Plaza Xinrong contemplated under the Equity Transfer Agreement
“Equity Transfer Agreement”	equity transfer agreement dated 25 December 2015 entered into between the Company and IFC as vendors and ZHC Fund and CYH as purchasers in relation to the transfer of 100% equity interests in Central Plaza Xinrong at a consideration of RMB624,400,000
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IFC”	International Financial Center Property Ltd., a company incorporated under the laws of BVI with limited liability and a wholly-owned subsidiary of the Company
“Independent Third Parties”	independent third parties not connected with the Company and its connected persons, having the meaning ascribed to such term in the Listing Rules

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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
“Purchasers”	ZHC Fund and CYH
“RMB”	Renminbi, the lawful currency of the PRC
“Ruiyuan Zhonghe”	Beijing Ruiyuan Zhonghe Investment Co., Ltd.* (北京瑞元眾合投資有限公司), a limited liability company established under the laws of the PRC, a limited partner of ZHC Fund and a joint venture of the Company. As at the date of this announcement, Ruiyuan Zhonghe is indirectly-held as to 40% equity interests by the Company
“Shareholders’ Loan”	shareholders’ loan and dividend payables owed by Central Plaza Xinrong to Vendors in the amount of RMB472,378,591.31
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tonghua Qiangyu”	Tianjin Tonghua Qiangyu Investment Management Co., Ltd.* (天津通華強宇投資管理有限公司), a limited liability company established under the laws of the PRC, a limited partner of ZHC Fund and a joint venture of the Company. As at the date of this announcement, Tonghua Qiangyu is directly-owned as to 40% equity interests by the Company
“Vendors”	the Company and IFC
“ZHC Fund”	Zhuhai Hengqin Chuangyuan Zhonghuan Equity Investment Centre (Limited Partner)* (珠海橫琴創元中環股權投資中心(有限合夥)), a limited partnership established under the laws of the PRC. As at the date of this announcement, ZHC Fund is held as to 2.7%, 13.51% and 83.79% equity interests by CYH as a general partner and Ruiyuan Zhonghe and Tonghua Qiangyu as limited partners

* *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, 28 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.