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

**(Stock Code: 2868)**

**DISCLOSEABLE TRANSACTION  
CAPITAL INJECTION INTO THE TARGET COMPANY  
AND THE PROJECT COMPANY**

The Board is pleased to announce that on 2 December 2016, Capital Zhengheng (a wholly-owned subsidiary of the Company) and COFCO Property (Shanghai) (an independent third party of the Company) entered into the Agreement in relation to the injection of capital into the Target Company and the Project Company (being the wholly-owned subsidiary of the Target Company), which is engaged in the development of the Site located in Xinchang Integrated Service Area, Pudong New Zone, Shanghai. The Site will be used for the development of a residential property project.

Pursuant to the Agreement, Capital Zhengheng agreed to inject not more than a total amount of RMB480 million into the Target Company and the Project Company, which comprises of RMB250 million as registered capital in the Target Company and RMB230 million as shareholder's loan(s) to the Project Company. Upon Completion, the enlarged registered capital of the Target Company will be held as to 50% each by Capital Zhengheng and COFCO Property (Shanghai) respectively.

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 under the Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

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## **THE AGREEMENT**

Date: 2 December 2016

Parties: Capital Zhengheng; and  
COFCO Property (Shanghai).

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

### **Capital injection and shareholder's loan(s)**

As at the date of the announcement, the registered capital of the Target Company is RMB100,000, which is wholly-owned by COFCO Property (Shanghai). Pursuant to the Agreement, Capital Zhengheng and COFCO Property (Shanghai) agreed to inject up to an aggregate amount of approximately RMB500 million into the registered capital of the Target Company within 5 business days from the date of the Agreement. In this connection, Capital Zhengheng will provide RMB250 million as registered capital of the Target Company and upon Completion, the enlarged registered capital of the Target Company will be held as to 50% each by Capital Zhengheng and COFCO Property (Shanghai) respectively. The injected registered capital will be used as general operating capital for the Project Company (being the wholly-owned subsidiary of the Target Company).

It is expected that the Target Company will not be consolidated in the financial statement of the Group.

In addition, Capital Zhengheng agreed to provide the amount of RMB230 million as shareholder's loan(s) to the Project Company for its repayment of a portion of the existing shareholders' loan(s) provided by COFCO Property to the Project Company (which purpose was for payment of the land premium of the Site and as general operating capital for the Project Company) within 5 business days from the date of the Agreement. Accordingly, subsequent to the provision of shareholders' loan(s) to the Project Company by Capital Zhengheng, the total shareholders' loan(s) to the Project Company will be committed as to 50% each by Capital Zhengheng and COFCO Property (Shanghai) respectively, based on their respective pro-rata shareholding interest in the Target Company upon Completion.

The above amount to be injected into the registered capital of the Target Company and the shareholders' loan(s) commitment to the Project Company were determined after arm's length negotiation between the parties, with reference to, among others, the land premium, the development cost and the overall funding requirements of the Site. The aggregate amount to be paid by Capital Zhengheng will be satisfied by internal resources of the Group.

### **The Project Company and the Site**

The Project Company is a company incorporated under the laws of the PRC with limited liability and a direct wholly-owned subsidiary of the Target Company. It is principally engaged in property development and operation of the Site.

The Site was acquired by the Project Company by way of land use right bidding through Shanghai Municipal Administration of Planning and Land Resources (上海市規劃和國土資源管理局). Details of the Site are listed below:

Site code:	The site located on the Area A10-1, Xinchang Integrated Service Area, Pudong New Zone, Shanghai (上海浦東新區新場旅遊綜合服務區A10-1地塊)
Total site area:	56,886.6 sq.m.
Planned gross floor area:	68,263.92 sq.m.
Terms of land use rights:	70 years (for urban residential use)
Land premium:	RMB2,440,000,000

### **Board Composition of the Target Company**

Upon Completion, the board of directors of the Target Company will comprise five directors, of which three directors will be nominated by Capital Zhengheng and two directors will be nominated by COFCO Property (Shanghai).

### **REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENT**

The Group is a leading large integrated real estate developer in the PRC, focusing primarily on developing residential properties, outlets-backed integrated properties, urban core integrated complexes and primary land development as its core business lines. Further, COFCO Property has successfully completed a number of residential property projects in Shanghai, the PRC, by owning developed and project based residential development operations and experienced operational teams. Through cooperation between the Group and COFCO Property, the risk on project investment can be diversified while strategic benefits and synergies is expected to be achieved for the two reputable real estate developers and thereby enhancing the competitiveness of the Group. In addition, the Group's land bank in Shanghai (one of the target cities in which the Company is focused) will be expanded.

The Directors are of the view that the Agreement and the transactions contemplated thereunder were 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 the applicable percentage ratio(s) (as defined in Rule 14.07 of the Listing Rules) exceed 5% but are all less than 25%, the transaction under the Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirement pursuant to Chapter 14 of the Listing Rules.

## **GENERAL INFORMATION ON 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 Group is a large property developer in the PRC, focusing primarily on developing residential properties, outlets-backed integrated properties, urban core integrated complexes and primary land development as its core business lines.

### **Capital Zhengheng**

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

### **COFCO Property (Shanghai)**

COFCO Property (Shanghai) is a company incorporated under the laws of the PRC with limited liability and a direct wholly-owned subsidiary of the COFCO Property. COFCO Property (Shanghai) is principally engaged in the development and investment of real estate in the PRC.

### **The Target Company and the Project Company**

The Target Company is a company incorporated under the laws of the PRC with limited liability and principally engaged in the industrial investment, investment management, estate management, business information consultation, exhibition service, asset management and construction engineering in the PRC.

The Project Company is a company incorporated under the laws of the PRC with limited liability and a direct wholly-owned subsidiary of the Target Company. It is principally engaged in property development and operation of the Site.

Since there was no material operations after the recent establishment of the Target Company and the Project Company (save and except for the acquisition of the Site) and no material profits or losses have been recorded, therefore no financial statements have been prepared for the Target Company and the Project Company. The main asset of the Project Company is the Site.

## **DEFINITIONS**

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

“Agreement”	An agreement dated 2 December 2016 entered into between Capital Zhengheng and COFCO Property (Shanghai) in relation to the capital injection into the Target Company and the Project Company
“Board”	the board of directors of the Company

“Capital Zhengheng”	Shanghai Capital Zhengheng Property Co., Ltd.* (上海首創正恒置業有限公司), a company incorporated under the laws of the PRC with limited liability and a direct wholly-owned subsidiary of the Company
“COFCO Property”	COFCO Property (Group) Co., Ltd. (中糧地產(集團)股份有限公司), a company incorporated under the laws of the PRC with limited liability and listed and traded on the Shenzhen Stock Exchange (stock code: 000031)
“COFCO Property (Shanghai)”	COFCO Property (Shanghai) Company Limited* (中糧地產(上海)有限公司), a company incorporated in the PRC with limited liability and a direct wholly-owned subsidiary of the COFCO Property
“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 Stock Exchange (stock code: 2868)
“Completion”	Completion of the capital injection pursuant to the Agreement and the registration of such changes with the relevant Industrial and Commerce Administration Bureau
“connected persons”	having the meaning ascribed to such term in the Listing Rules
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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
“Project Company”	Shanghai Liangyue Industrial Company Limited* (上海梁悅實業有限公司), a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Target Company
“RMB”	Renminbi, the lawful currency of the PRC
“Site”	the site located in the Xinchang Integrated Service Area, Pudong New Zone, Shanghai, the PRC (中國上海市浦東新區新場旅遊綜合服務區)
“sq.m”	square metre(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Shanghai Zhiyue Industrial Company Limited* (上海置悦實業有限公司), a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of COFCO Property (Shanghai) as at the date of this announcement
“%”	per cent.

\* *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, 2 December 2016

*The Board as of the date of this announcement comprises Mr. Li Songping (Chairman) who is the Non-Executive Director, Mr. Tang Jun (President) who is the Executive Director, Ms. Sun Baojie, Mr. Sun Shaolin, Mr. Su Jian and Mr. Yang Weibin who are the Non-Executive Directors, and Mr. Wang Hong, Mr. Li Wang and Mr. Wong Yik Chung, John who are the Independent Non-Executive Directors.*