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

DISCLOSEABLE AND CONNECTED TRANSACTION ACQUISITION OF PROPERTY

THE ACQUISITION

The Board is pleased to announce that on 22 December 2017, the Purchaser (a wholly-owned subsidiary of the Company), the Company, Capital Chaoyang (a wholly-owned subsidiary of the Company), Reco Yanshan, Bantex, the Vendor (a non wholly-owned subsidiary of the Company) and BECL Investment (a wholly-owned subsidiary of the Company) entered into the Agreement pursuant to which, among others, the Purchaser agreed to acquire and the Vendor agreed to sell the Property located in Feng Tai District, Beijing, the PRC for a total consideration of RMB1,316,020,000 in cash.

LISTING RULES IMPLICATIONS

As one or more than one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Transactions is more than 5% and below 25%, the Transactions constitute discloseable transactions for the Company, and are therefore subject to the notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

As at the date of this announcement, Reco Ziyang is a connected person of the Company by virtue of it being a substantial shareholder of the subsidiary(ies) of the Company. Each of the Vendor, Bantex and Reco Yanshan is an associate of Reco Ziyang and thus a connected person of the Company. Accordingly, the Transactions constitute connected transactions of the Company under Chapter 14A of the Listing Rules. By virtue of Rule 14A.101 of the Listing Rules, as (a) the Vendor is a connected person of the Company at the subsidiary level under the Listing Rules; (b) the Transactions have been approved by the Board; and (c) the Directors (including the independent non-executive Directors) are of the view that the terms of the Transactions are fair and reasonable and the transactions contemplated thereunder are on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole, therefore the Transactions are subject to the reporting and announcement requirements, and are exempt from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 22 December 2017, the Purchaser (a wholly-owned subsidiary of the Company), the Company, Capital Chaoyang (a wholly-owned subsidiary of the Company), Reco Yanshan, Bantex, the Vendor (a non wholly-owned subsidiary of the Company) and BECL Investment (a wholly-owned subsidiary of the Company) entered into the Agreement pursuant to which, among others, the Purchaser agreed to acquire and the Vendor agreed to sell the Property located in Feng Tai District, Beijing, the PRC for a total consideration of RMB1,316,020,000 in cash.

Major terms of the Agreement have been set out below.

THE AGREEMENT

Date: 22 December 2017

Parties:

- (a) the Purchaser, a wholly-owned subsidiary of the Company;
- (b) the Company;
- (c) Capital Chaoyang, a wholly-owned subsidiary of the Company;
- (d) Reco Yanshan;
- (e) Bantex;
- (f) the Vendor, a non wholly-owned subsidiary of the Company;
and
- (g) BECL Investment, a wholly-owned subsidiary of the Company.

For further information on the parties, please refer to the section headed “Information on the Company and the Parties” below.

Sale and purchase of the Property: The Purchaser agreed to acquire, and the Vendor agreed to sell, the Property in accordance with the terms and conditions of the Agreement.

The Property: The Property is a commercial property located on the land lot F-03 of Lize Finance and Commerce Area, Lugouqiao Xiang, Feng Tai District, Beijing, the PRC (豐台區盧溝橋鄉麗澤金融商務區F-03地塊) and is owned by the Vendor as at the date of this announcement.

Consideration: The consideration for the Property is RMB1,316,020,000, to be paid in cash at Completion. The Company will finance the consideration for the Property from internal resources of the Group.

The consideration for the Property was determined after arm’s length negotiation between the parties on normal commercial terms with reference to, among others, the prevailing market prices of properties of similar nature available in the nearby area.

THE PROPERTY

The Property is a commercial property located on the land lot F-03 of Lize Finance and Commerce Area, Lugouqiao Xiang, Feng Tai District, Beijing, the PRC (豐台區盧溝橋鄉麗澤金融商務區F-03地塊) and is owned by the Vendor as at the date of this announcement. The planned saleable gross floor area of the Property is approximately 46,332 sq.m. As at the date of this announcement, the Property has completed the filing in respect of the completion of construction and has not yet commenced operations, which is expected to be in the third quarter of 2019. The total unaudited cost of the Property was approximately RMB1.2 billion.

As the Company intends to sell or lease the Property in the future, the Property is recorded as investment properties in the consolidated financial statements of the Group.

THE DISTRIBUTION AND THE DEPOSIT

As part of the commercial terms and conditions of the Acquisition, prior to the distribution of profits by the Vendor, the Company will, through BECL Investment, provide an amount equivalent to approximately RMB87,052,460 to Reco Yanshan, which shall be immediately repaid to BECL Investment upon receipt of the distribution of profits by the Vendor by Bantex.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is a leading large integrated real estate developer in the PRC, focusing primarily on developing the four main business streams of residential properties, outlets-backed integrated properties, urban core integrated complexes and primary land development, complemented by innovative business areas such as high-tech industry properties. The Lize Finance and Commerce Area is a fast developing commercial area in Beijing. The Group had acquired land lots F-02, F-03 and F-05 of Lize Finance and Commerce Area through joint co-operation with other parties to develop the “Beijing Capital Centre” project, which is an integrated complex comprising of offices, shopping mall and apartments. The Property is located next to a commercial property of the Group located in land lot F-02 and the Acquisition can enable the Company to integrate the operations of the two commercial properties so as to enhance the commercial operation capability of “Beijing Capital Centre” as a whole and the total value, which in turn increase the value of other properties in “Beijing Capital Centre”.

The Board (including the independent non-executive Directors) believes that the terms of the Transactions are fair and reasonable and the transactions contemplated thereunder are on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole. None of the Directors have a material interest in the Transactions and was required to abstain from voting on the relevant Board resolutions.

LISTING RULES IMPLICATIONS

As one or more than one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Transactions is more than 5% and below 25%, the Transactions constitute discloseable transactions for the Company, and are therefore subject to the notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

As at the date of this announcement, Reco Ziyang is a connected person of the Company by virtue of it being a substantial shareholder of the subsidiary(ies) of the Company. Each of the Vendor, Bantex and Reco Yanshan is an associate of Reco Ziyang and thus a connected person of the Company. Accordingly, the Transactions constitute connected transactions of the Company under Chapter 14A of the Listing Rules. By virtue of Rule 14A.101 of the Listing Rules, as (a) the Vendor is a connected person of the Company at the subsidiary level under the Listing Rules; (b) the Transactions have been approved by the Board; and (c) the Directors (including the independent non-executive Directors) are of the view that the terms of the Transactions are fair and reasonable and the transactions contemplated thereunder are on normal commercial terms or better and in the interests of the Company and its Shareholders as a whole, therefore the Transactions are subject to the reporting and announcement requirements, and are exempt from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INFORMATION ON 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 Group is a leading large integrated real estate developer in the PRC, focusing primarily on developing the four main business streams of residential properties, outlets-backed integrated properties, urban core integrated complexes and primary land development, complemented by innovative business areas such as high-tech industry properties.

The Purchaser

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

Capital Chaoyang

Capital Chaoyang is a company incorporated under the laws of the PRC with limited liability, an immediate shareholder of the Vendor and a wholly-owned subsidiary of the Company. Capital Chaoyang is principally engaged in investment holding business.

BECL Investment

BECL Investment is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company. BECL Investment is principally engaged in investment holding business.

The Vendor

The Vendor is a company incorporated under the laws of the PRC with limited liability and a subsidiary of the Company, which is indirectly owned as to 50% and 50% by the Company (through Capital Chaoyang) and Reco Yanshan (through Bantex), respectively, as at the date of this announcement. The Vendor is principally engaged in the business of property development in the PRC.

Reco Yanshan

Reco Yanshan is a company incorporated in Singapore with limited liability, a controlling shareholder of Bantex and an associate of Reco Ziyang. Reco Yanshan is principally engaged in investment holding business.

Bantex

Bantex is a company incorporated in Hong Kong with limited liability, an immediate shareholder of the Vendor and a wholly-owned subsidiary of Reco Yanshan. Bantex is principally engaged in investment holding business.

DEFINITIONS

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

“Acquisition”	acquisition of the Property by the Purchaser from the Vendor
“Agreement”	the sale and purchase agreement and supplemental agreement dated 22 December 2017 entered into between the Purchaser and the Vendor in relation to the sale and purchase of the Property
“Bantex”	Bantex Investments Limited, a company incorporated in Hong Kong with limited liability, an immediate shareholder of the Vendor and a wholly-owned subsidiary of Reco Yanshan
“BECL Investment”	BECL Investment Holding Limited, a company incorporated in Hong Kong with limited liability and a subsidiary of the Company
“Board”	the board of directors of the Company

“Capital Chaoyang”	Capital Chaoyang Real Estate Development Company Limited* (首創朝陽房地產發展有限公司), a company incorporated under the laws of the PRC with limited liability, an immediate shareholder of the Vendor and a wholly-owned subsidiary 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
“Completion”	completion of the Acquisition pursuant to the Agreement
“connected persons”	having the meaning ascribed to such term in the Listing Rules
“Deposit”	the deposit equivalent to approximately RMB87,052,460 to be provided to Reco Yanshan by BECL Investment
“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
“percentage ratio(s)”	having the meaning ascribed to such term in the Listing Rules
“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
“Property”	the commercial property located on the land lot F-03 of Lize Finance and Commerce Area, Lugouqiao Xiang, Feng Tai District, Beijing, the PRC (豐台區盧溝橋鄉麗澤金融商務區F-03地塊)
“Purchaser”	Beijing Kai Yuan He An Investment Management Company Limited* (北京開元和安投資管理有限公司), a company incorporated under the laws of the PRC with limited liability and a subsidiary of the Company
“Reco Yanshan”	Reco Yanshan Private Limited, a company incorporated in Singapore with limited liability and a subsidiary of GIC (Realty) Pte Ltd.

“Reco Ziyang”	Reco Ziyang Pte Ltd., a company incorporated in Singapore with limited liability, a subsidiary of GIC (Realty) Pte Ltd. and a connected person of the Company under the Listing Rules by virtue of it being a substantial shareholder of the subsidiary(ies) of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	having the meaning ascribed to such term in the Listing Rules
“Transactions”	Acquisition and the provision of Deposit and the transactions contemplated thereunder
“Vendor”	Beijing Tian Cheng Yong Yuan Real Estate Company Limited* (北京天城永元置業有限公司), a company incorporated under the laws of the PRC with limited liability and a subsidiary of the Company, which is indirectly owned as to 50% and 50% by the Company and Reco Yanshan, respectively, 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, 22 December 2017

The Board as of the date of this announcement comprises Mr. Li Songping (Chairman) who is Non-Executive Director, Mr. Tang Jun (President) and Mr. Li Xiaobin who are Executive Directors, Mr. Su Zhaohui, Mr. Sun Shaolin and Mr. Su Jian who are Non-Executive Directors, and Mr. Li Wang, Mr. Wong Yik Chung, John and Mr. Liu Xin who are Independent Non-Executive Directors.