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**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 ACQUISITION**

The Board is pleased to announce that on 20 May 2019, Zhongzhi Dingfu, a wholly-owned subsidiary of the Company, the Vendor and the Target Company entered into the Equity Transfer Agreement in relation to, among others, the acquisition by Zhongzhi Dingfu of 100% equity interest in the Target Company held by the Vendor. Zhongzhi Dingfu has paid RMB50,000,000 to the Vendor as deposit for the Acquisition. Upon the Completion of the Acquisition, Zhongzhi Dingfu will directly hold 100% of the equity interest in the Target Company. The Target Company is principally engaged in the development and operation of the Site.

Pursuant to the Equity Transfer Agreement, Zhongzhi Dingfu agreed to acquire 100% equity interest in the Target Company held by the Vendor at a consideration of not more than RMB10,226,700, and, on behalf of the Target Company, will repay borrowings of RMB1,303,131,500 together with related interest thereon to the Vendor. Accordingly, the total commitment for Zhongzhi Dingfu to acquire the Target Company will be not more than RMB1,407,000,000.

As one or more of the applicable percentage ratios exceed 5% but less than 25%, the entering into the Equity Transfer Agreement and the transactions contemplated thereunder constitute a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## **INTRODUCTION**

The Board is pleased to announce that on 20 May 2019, Zhongzhi Dingfu, a wholly-owned subsidiary of the Company, the Vendor and the Target Company entered into the Equity Transfer Agreement in relation to, among others, the acquisition by Zhongzhi Dingfu of 100% equity interest in the Target Company held by the Vendor. Zhongzhi Dingfu has paid RMB50,000,000 to the Vendor as deposit for the Acquisition. Upon the Completion of the Acquisition, Zhongzhi Dingfu will directly hold 100% of the equity interest in the Target Company. The Target Company is principally engaged in the development and operation of the Site.

## THE EQUITY TRANSFER AGREEMENT

Date: 20 May 2019

Parties: (1) Kunshan Venture Capital, as transferor;

(2) Zhongzhi Dingfu, as transferee; and

(3) Guangsheng Real Estate, as the Target Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Kunshan Venture Capital, Guangsheng Real Estate and their respective ultimate beneficial owners are third parties independent to the Group and its connected persons.

Consideration: As at the date of this announcement, the registered capital of the Target Company is RMB8,000,000, which was subscribed and held by the Vendor.

Zhongzhi Dingfu has paid RMB50,000,000 to the Vendor as deposit for the Acquisition, which will form part of the payment of the total consideration of the Acquisition.

Pursuant to the Equity Transfer Agreement, Zhongzhi Dingfu agreed to acquire 100% equity interest in the Target Company held by the Vendor at a consideration of not more than RMB10,226,700, and, on behalf of the Target Company, will repay borrowings of RMB1,303,131,500 together with related interest thereon to the Vendor. Accordingly, the total commitment for Zhongzhi Dingfu to acquire the Target Company will be not more than RMB1,407,000,000. The remaining balance of the commitment shall be settled by Zhongzhi Dingfu to the Vendor within 20 working days after all the documents required for the registration of transfer of equity interest in the Target Company with the authority for industry and commerce are in order.

The capital commitment in relation to the acquisition of the Target Company will be funded by the Company's internal resources.

The consideration for the acquisition of the equity interest in the Target Company was determined by arm's length negotiation between the parties and with reference to (a) the auditors' report on the Target Company as at 27 March 2019 issued by an independent auditor; and (b) the assets valuation report on the Target Company with valuation date of 31 December 2018 issued by an independent valuer.

Upon the Completion of the Acquisition, the Company shall indirectly hold 100% equity interest in the Target Company, the Target Company shall be accounted for as subsidiary of the Company and shall be consolidated into the Company’s consolidated financial statements accordingly.

**THE SITE**

The site, which was identified as Kun Di Wang [2018] Gua Zi 5-3 (昆地網[2018]掛字5-3號地塊) (the “Site”), was acquired by the Vendor through bidding and is held by the Target Company. Details of the Site are listed as below:

Location:	located in Zhangpuzhen, South of Kunshan City, 0.8 km from Zhangpuzhen Citizen Culture Square, only 1.9 km from Zhangpuzhen Government, 8 km from the Kunshan South Railway Station of Shanghai-Nanjing High-speed Railway and 12.6 km from Kunshan Government
Site area:	68,113.9 square metres
Nature of the land use rights:	Residential land
Term of the land use rights:	70 years for residential

**REASONS FOR AND BENEFITS OF ENTERING INTO THE EQUITY TRANSFER AGREEMENT**

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 integrated real estate developer in the PRC, focusing primarily on developing the four main business streams of residential property development, outlets, urban core integrated complex and primary land development, complemented by innovative business areas such as high-tech industry properties, cultural and creative industries and rental housing. In accordance with the Company’s fully upgraded strategic plans, the Acquisition will be beneficial to the further expansion of the Company’s strategic layout in the Yangtze River Delta.

The Directors consider that the entering into the Equity Transfer Agreement and the transactions contemplated thereunder are on normal commercial terms, the terms and conditions of which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## INFORMATION ON THE TARGET COMPANY AND THE PARTIES

### The Target Company

The Target Company is a company established in the PRC with limited liability on 17 October 2018 and is principally engaged in the development and operation of the Site. As at the date of this announcement, the Target Company is wholly-owned by the Vendor.

The audited loss/profit before and after tax of the Target Company for the year ended 31 December 2018 and the period ended 27 March 2019 respectively are as follows:

	Year ended 31 December 2018 (RMB)	Period ended 27 March 2019 (RMB)
Loss/profit before and after tax	(620.00)	<b>1,707.33</b>

As at 27 March 2019, the registered capital of the Target Company is RMB8,000,000, the audited total assets of the Target Company amounted to RMB1,311,132,587.33 while the net assets of the Target Company amounted to RMB8,001,087.33.

### Zhongzhi Dingfu

Zhongzhi Dingfu is a wholly-owned subsidiary of the Company. It is a company established in the PRC with limited liability and is principally engaged in investment holding.

### The Vendor

The Vendor is a wholly-owned subsidiary of Kunshan Venture Holdings Group Company Limited\* (昆山創業控股集團有限公司). It is a company established under the laws of the PRC with limited liability and is principally engaged in investment holding.

## LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios exceed 5% but less than 25%, the entering into the Equity Transfer Agreement and the transactions contemplated thereunder constitute a discloseable 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 have the meanings set forth below unless the context requires otherwise:

“Acquisition”	the acquisition of 100% equity interest in the Target Company from the Vendor, and repayment of borrowings together with related interest thereon on behalf of the Target Company to the Vendor by the Company. The total commitment for the Acquisition will be not more than RMB1,407,000,000
“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 in the PRC with limited liability and whose H shares are listed on the main board of the Stock Exchange (Stock code: 2868)
“Completion of the Acquisition”	the completion of the change in business registration in relation to the equity transfer under the Acquisition
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“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
“Kunshan Venture Capital” or “Vendor”	Kunshan Venture Capital Company Limited* (昆山市創業投資有限公司), a company incorporated under the laws of the PRC with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“percentage ratios”	the percentage ratios defined under Rule 14.04(9) of the Listing Rules
“PRC”	the People’s Republic of China, and, for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan

“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Target Company” or “Guangsheng Real Estate”	Kunshan Guangsheng Real Estate Development and Management Company Limited*(昆山市廣盛房地產開發經營有限公司), a company incorporated under the laws of the PRC with limited liability
“Zhongzhi Dingfu”	Beijing Zhongzhi Dingfu Property Development Limited* (北京眾置鼎福房地產開發有限公司), a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company

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

Hong Kong, 20 May 2019

*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, and Mr. Li Wang, Mr. Wong Yik Chung, John and Mr. Liu Xin who are the independent non-executive Directors.*

\* *For identification purpose only and should not be regarded as the official English translation of the Chinese names. In the event of any inconsistency, the Chinese name shall prevail.*