
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Beijing Capital Land Ltd., you should at once hand this circular, together with the enclosed form of proxy and reply slip, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.



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)

PROPOSED ISSUE OF DOMESTIC CORPORATE BONDS IN THE PRC

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 2 to 6 of this circular.

A notice convening the EGM to be held on Wednesday, 8 January 2020 at 9:00 a.m. at F17, Red Goldage, No. 2, Guang Ning Bo Street, Beijing, the PRC, together with the reply slip and form of proxy are enclosed herein.

If you intend to attend the EGM, please complete and return the enclosed reply slip and form of proxy in accordance with the instruction printed thereon as soon as possible, and, in case of the reply slip, in any event no later than Tuesday, 31 December 2019, and, in case of the form of proxy, no less than 24 hours before the time appointed for the meeting or any adjourned meeting thereof.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting thereof and, in such event, the relevant form of proxy shall be deemed to be revoked.

19 December 2019

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	2
Introduction	2
Proposed Issue of Domestic Corporate Bonds in the PRC	3
Extraordinary General Meeting.	6
Recommendations.	6
Notice of EGM	EGM-1

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Articles of Association”	the articles of association of the Company (as amended from time to time)
“Board”	the board of Directors of the Company
“Bond Issue”	the proposed issue of Domestic Corporate Bonds by 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)
“Director(s)”	the director(s) of the Company
“Domestic Corporate Bonds”	the domestic corporate bonds with an aggregate principal amount of not more than RMB6 billion as proposed under a non-public issuance by the Company
“EGM”	the Extraordinary General Meeting to be held at F17, Red Goldage, No. 2, Guang Ning Bo Street, Beijing, PRC to approve the Bond Issue and the relevant authorization in relation to the Bond Issue, the notice of which is set out in this circular
“EGM Notice”	the notice of the EGM
“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”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“PRC”	the People’s Republic of China excluding, for the purposes of this circular, Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“SSE”	Shanghai Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



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)

Non-executive Director:

Li Songping (*Chairman*)

Executive Directors:

Zhong Beichen (*President*)

Li Xiaobin

Hu Weimin

Fan Shubin

Non-executive Directors:

Su Jian

Independent non-executive Directors:

Li Wang

Wong Yik Chung, John

Liu Xin

Legal address:

Room 3071, 3/F

Office Block 4

No. 13, Kaifang East Road

Huairou District

Beijing

PRC

Place of business in the PRC:

F17, Red Goldage

No. 2, Guang Ning Bo Street

Beijing

PRC

Place of business in Hong Kong:

Suites 4602-05

One Exchange Square

Central

Hong Kong

19 December 2019

To the Shareholders

Dear Sir or Madam,

PROPOSED ISSUE OF DOMESTIC CORPORATE BONDS IN THE PRC

I. INTRODUCTION

On 19 December 2019, the Board resolved to submit to the Shareholders for consideration and approval of the proposed issue of Domestic Corporate Bonds with an aggregate principal amount of not more than RMB6 billion in one or more tranches at the EGM. The purpose of this circular is to provide you with information on the proposed issue of Domestic Corporate Bonds in the PRC.

LETTER FROM THE BOARD

II. PROPOSED ISSUE OF DOMESTIC CORPORATE BONDS IN THE PRC

1. Background

The Board resolved to submit to the Shareholders for consideration and approval of the proposed issue of Domestic Corporate Bonds with an aggregate principal amount of not more than RMB6 billion in one or more tranches at the EGM. The Company intends to utilize all the proceeds from the issuance of Domestic Corporate Bonds for the settlement of the principal and interest of corporate debts.

2. Proposed issue of Domestic Corporate Bonds

The proposed arrangements for the Bond Issue (such arrangements are subject to the conditions of the PRC bond market) are as follows:

- | | | |
|-----|---------------------|---|
| (1) | Issuer: | Beijing Capital Land Ltd. |
| (2) | Place of Issue: | People's Republic of China |
| (3) | Size of Issue: | The aggregate issue size shall not be more than RMB6 billion, shall be issued in one or more tranches |
| (4) | Arrangement: | Non-public issuance to qualified investors |
| (5) | Nominal Value: | The nominal value shall be RMB100 |
| (6) | Target Subscribers: | The Company intends to issue the Domestic Corporate Bonds to up to 200 qualified investors as specified in the Administrative Measures for the Issuance and Trading of Corporate Bonds |
| (7) | Maturity: | Not more than seven years (inclusive), which can either be in a single or various maturity categories |
| (8) | Use of Proceeds: | The proceeds are intended to be used for the settlement of the principal and interest of the corporate debts in full. Subject to the granting of authorization to any one of the executive Directors by the general meeting, the specific use of proceeds shall be determined by such executive Director in accordance with the capital needs of the Company within the scope approved at the general meeting |

LETTER FROM THE BOARD

- | | |
|---|---|
| (9) Surplus cash management: | Without prejudice to the normal progress of the use of proceeds as planned, the Company may apply the temporarily idle proceeds to cash management and invest in products with a high level of safety and liquidity, such as treasury bonds, policy bank loans, local government bonds, reverse repurchase of exchange bonds etc.. Subject to the granting of authorization to any one of the executive Directors by the general meeting, the specific plan for surplus cash management shall be determined by such executive Director in accordance with the capital needs of the Company within the scope approved at the general meeting |
| (10) Trading Venue: | SSE |
| (11) Term of validity of the resolutions: | The term of validity will expire 36 months after the date of the passing of such resolutions |

3. Granting of authorization to any one of the executive Directors to deal with matters relating to the Bond Issue

To ensure the smooth issue of the proposed Domestic Corporate Bonds, it is proposed that any one of the executive Directors be authorized by the Shareholders at the EGM generally and unconditionally to handle all matters relating to the Bond Issue, which includes but not limited to the following:

- (a) to formulate a specific plan for this Bond Issue according to actual market conditions, including but not limited to the timing of issuance, whether to issue in tranches, types of bonds, aggregate amount of each tranche, methods of issuance, maturity, use of proceeds, surplus cash management, coupon rates and pricing methods, relevant guarantee arrangements, rating arrangements, arrangements for the repayment of principal and the payment of interests, repayment security matters, bidding and transfer venue, etc.;
- (b) to decide and appoint relevant intermediaries and entrusted manager for this Bond Issue;
- (c) to deal with any relevant matters relating to the bidding and transfer of the Domestic Corporate Bonds;
- (d) to take any and all necessary, beneficial or appropriate actions in relation to this issue of Domestic Corporate Bonds and the bidding and transfer, including but not limited to approving and executing all necessary contracts, agreements and documents, and disclosing relevant information pursuant to applicable regulatory requirements, and to approve, confirm and ratify such actions and steps as undertaken by the authorized Director in relation to the Bond Issue;

LETTER FROM THE BOARD

- (e) to determine whether to proceed this issue of the Domestic Corporate Bonds according to the recommendations made by regulatory authorities or new market conditions, and make relevant adjustments to matters relating to the specific arrangement of this issue of the Domestic Corporate Bonds in the event that there are changes in the policies relating to the issuance of corporate bonds by the regulatory authorities or changes in prevailing market conditions, save as matters that require re-approval at the general meeting pursuant to the requirements of relevant laws, regulations and the Articles of Association;
- (f) to handle with matters relating to the repayment of principal and interests of Domestic Corporate Bonds;
- (g) to deal with the information disclosure and approval matters (if necessary) in respect of this issuance of Domestic Corporate Bonds in accordance with the Listing Rules and other applicable regulatory requirements; and
- (h) to decide and handle with all other matters relating to this issue of the Domestic Corporate Bonds.

The authority granted to any one of the executive Directors to deal with the above matters relating to the issuance of Domestic Corporate Bonds shall take effect from the date of obtaining approval at the EGM until the date when all the authorized matters in relation to the issuance of Domestic Corporate Bonds have been completed.

4. Measures to be implemented by the Company to settle the Domestic Corporate Bonds

In the event of expected inability to repay the principal or interests of the Domestic Corporate Bonds as scheduled or the Company is unable to repay the principal or interests of the Domestic Corporate Bonds as they become due, the Company will implement, as a minimum, the following measures:

- (a) no dividends shall be distributed to the Shareholders;
- (b) suspend capital expenditure, such as major external investments, acquisitions and mergers;
- (c) reduce or suspend the payment of salary and bonus to the Directors and senior management; and
- (d) no key officers shall be allowed to resign from office.

5. Reasons of the proposed issue of the Domestic Corporate Bonds and benefits for the Shareholders

The issuance of Domestic Corporate Bonds is for settlement of the principal and interest of corporate debts in full, and the issuance opportunity is according to the maturity of the existing domestic corporate bonds. The Board considers that the issuance of Domestic Corporate Bonds will benefit the Company in ensuring the openness of the bond financing channels, optimizing financing structure, reducing financing costs and improving the market competitiveness of the Company. Therefore, the Board considers that the proposed Bond Issue is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

III. EXTRAORDINARY GENERAL MEETING

Set out on pages EGM-1 to EGM-4 of this circular is a notice of the EGM to be held on Wednesday, 8 January 2020 at 9:00 a.m. at F17, Red Goldage, No.2, Guang Ning Bo Street, Beijing, PRC for the purpose of approving the proposed issue of Domestic Corporate Bonds by special resolutions.

The Articles of Association provide that the Shareholders who intend to attend any general meeting of the Company shall lodge a written reply to the Company seven days before the date of the meeting (the “**Reply Date**”). In case the written replies received from the Shareholders indicating their intention to attend the EGM represent holders of less than one half of the total number of Shares with voting rights, the Company shall within five days after the Reply Date inform the Shareholders in the form of a public announcement the matters to be considered at the EGM, and the date and place of the meeting. The relevant general meeting may be held after such announcement has been published.

A form of proxy for use at the EGM is enclosed. Whether or not you intend to attend the EGM in person, please complete the form of proxy and return it to the Company’s place of business in the PRC (for holders of Domestic Shares and non-H foreign shares) or the Company’s place of business in Hong Kong or the office of the Company’s H Share registrar (for holders of H Shares) as soon as possible, and in any event no later than 24 hours before the time appointed for the meeting.

In view of the above requirements in respect of the EGM convened by the notice of the EGM, you are urged to complete and return the form of proxy and the reply slip enclosed, whether or not you intend to attend the EGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you desire and in such event, the relevant form of proxy shall be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by a poll. Therefore, all resolutions proposed at the EGM will be voted by a poll.

No Shareholder is required to abstain from voting for the resolutions proposed at the EGM as no shareholder is interested in the proposed issue of Domestic Corporate Bonds in the PRC.

IV. RECOMMENDATIONS

The Board believes that the proposed issue of Domestic Corporate Bonds in the PRC is fair and reasonable, and is in the interests of the Company and the Shareholders as a whole. The Board recommends that all Shareholders vote in favour of the relevant resolutions as set out in the EGM Notice.

Yours faithfully,
By order of the Board
Li Songping
Chairman

NOTICE OF EGM



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)

NOTICE OF EGM

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Beijing Capital Land Ltd. (the “**Company**”) will be held on Wednesday, 8 January 2020 at 9:00 a.m. at F17, Red Goldage, No. 2, Guang Ning Bo Street, Beijing, the People's Republic of China to consider and, if thought fit, to pass the following resolutions:

SPECIAL RESOLUTIONS

1. “**THAT** each of the following proposed arrangements in respect of the issuance of corporate bonds (the “**Domestic Corporate Bonds**”) in the PRC be and is hereby approved, subject to the conditions of the PRC bond market:
 - (1) Issuer: Beijing Capital Land Ltd.
 - (2) Place of Issue: People's Republic of China
 - (3) Size of Issue: The aggregate issue size shall not be more than RMB6 billion, shall be issued in one or more tranches
 - (4) Arrangement: Non-public issuance to qualified investors
 - (5) Nominal Value: The nominal value shall be RMB100
 - (6) Target Subscribers: The Company intends to issue the Domestic Corporate Bonds to up to 200 qualified investors as specified in the Administrative Measures for the Issuance and Trading of Corporate Bonds
 - (7) Maturity: Not more than seven years (inclusive), which can either be in a single or various maturity categories

NOTICE OF EGM

- (8) Use of Proceeds: The proceeds are intended to be used for the settlement of the principal and interest of the corporate debts in full. Subject to the granting of authorization to any one of the executive Directors by the general meeting, the specific use of proceeds shall be determined by such executive Director in accordance with the capital needs of the Company within the scope approved at the general meeting
- (9) Surplus cash management: Without prejudice to the normal progress of the use of proceeds as planned, the Company may apply the temporarily idle proceeds to cash management and invest in products with a high level of safety and liquidity, such as treasury bonds, policy bank loans, local government bonds, reverse repurchase of exchange bonds etc.. Subject to the granting of authorization to any one of the executive Directors by the general meeting, the specific plan for surplus cash management shall be determined by such executive Director in accordance with the capital needs of the Company within the scope approved at the general meeting
- (10) Trading Venue: SSE
- (11) Term of validity of the resolutions: The term of validity will expire 36 months after the date of the passing of such resolutions
2. **“THAT** any one of the executive Directors of the Company be and is hereby authorized to deal with all relevant matters relating to this issuance of the Domestic Corporate Bonds, including but not limited to the following:
- (a) to formulate a specific plan for this Bond Issue according to actual market conditions, including but not limited to the timing of issuance, whether to issue in tranches, types of bonds, aggregate amount of each tranche, methods of issuance, maturity, use of proceeds, surplus cash management, coupon rates and pricing methods, relevant guarantee arrangements, rating arrangements, arrangements for the repayment of principal and the payment of interests, repayment security matters, bidding and transfer venue, etc.;
 - (b) to decide and appoint relevant intermediaries and entrusted manager for this Bond Issue;
 - (c) to deal with any relevant matters relating to this bidding and transfer of the Domestic Corporate Bonds;
 - (d) to take any and all necessary, beneficial or appropriate actions in relation to this issue of Domestic Corporate Bonds and the bidding and transfer, including but not limited to approving and executing all necessary contracts, agreements and documents, and disclosing relevant information pursuant to applicable regulatory requirements, and to approve, confirm and ratify such actions and steps as undertaken by the authorized Director in relation to the Bond Issue;

NOTICE OF EGM

- (e) to determine whether to proceed this issuance of the Domestic Corporate Bonds according to the recommendations made by regulatory authorities or new market conditions, and make relevant adjustments to matters relating to the specific arrangement of this issue of the Domestic Corporate Bonds in the event that there are changes in the policies relating to the issuance of corporate bonds by the regulatory authorities or changes in prevailing market conditions, save as matters that require re-approval at the general meeting pursuant to the requirements of relevant laws, regulations and the Articles of Association;
- (f) to handle with matters relating to the repayment of principal and interests of Domestic Corporate Bonds;
- (g) to deal with the information disclosure and approval matters (if necessary) in respect of this issuance of Domestic Corporate Bonds in accordance with the Listing Rules and other applicable regulatory requirements; and
- (h) to decide and handle with all other matters relating to this issue of the Domestic Corporate Bonds.

The authority granted to any one of the executive Directors to deal with the above matters relating to the issue of Domestic Corporate Bond shall take effect from the date of obtaining approval at the EGM until the date when all the authorized matters in relation to the issue of Domestic Corporate Bonds have been completed.”

3. “**THAT** the following measures to be implemented by the Company, as a minimum, in the event of expected inability to repay the principal or interests of the Domestic Corporate Bonds as scheduled or the Company is unable to repay the principal or interests of the Domestic Corporate Bonds as they become due be and are hereby approved:
- (a) no dividends shall be distributed to the Shareholders;
 - (b) suspend capital expenditure, such as major external investments, acquisitions and mergers;
 - (c) reduce or suspend the payment of salary and bonus to the Directors and senior management; and
 - (d) no key officers shall be allowed to resign from office.”

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

Hong Kong, 19 December 2019

NOTICE OF EGM

Notes:

1. Registration procedures for the EGM

Shareholders who intend to attend the EGM have to return the reply slip together with any necessary registration documents to the Company in person or by post or fax on or before Tuesday, 31 December 2019.

2. Proxy

- i. Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote at the meeting on his or her behalf. A proxy need not be a Shareholder.
- ii. In order to be valid, the proxy form and, if such proxy form is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or authority, shall be deposited by holders of domestic shares or non-H foreign Shares at the place of business of the Company in the PRC not less than 24 hours before the time for holding of the EGM, or by the Shareholders of H Shares at the place of business of the Company in Hong Kong or to the H Share registrar of the Company by such time. The H Share registrar of the Company is Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17 Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- iii. Shareholders or their proxy or proxies shall produce their identification documents when attending the EGM.

3. Miscellaneous

- i. The duration of the EGM is expected not to exceed half a day. Shareholders who attend the EGM shall arrange for their own transportation and accommodation at their own expenses.
- ii. All voting at the EGM will be conducted by poll.
- iii. Place of business of the Company in the PRC:

F17, Red Goldage
No. 2, Guang Ning Bo Street
Beijing, PRC
Telephone: 86-10-6652 3000
Email: ir@bjcapitalland.com.cn

- iv. Place of business of the Company in Hong Kong:

Suites 4602–05
One Exchange Square
Central
Hong Kong
Telephone: 852-2869 9098
Facsimile: 852-2869 9708