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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
PROVISION OF GUARANTEE

On 18 December 2019, the Project Company (a joint venture of the Company) entered into the Loan Agreement with Beijing Rural Commercial Bank, pursuant to which Beijing Rural Commercial Bank will provide the Project Company with a loan of not more than RMB1,500,000,000 in total for a term of not more than ten years, to be used for project development and construction as well as repayment of loans.

The Board is pleased to announce that, on 18 December 2019, Beijing Capital Real Estate (a wholly-owned subsidiary of the Company) entered into the Guarantee Agreement with Beijing Rural Commercial Bank in relation to the provision of transitional guarantee for the Loan by Beijing Capital Real Estate in accordance with its 50% shareholding in the Project Company, which shall remain effective until the earlier of two years from the next day of the date on which the repayment obligation of the Project Company under the Loan Agreement is fulfilled and the successful establishment of the mortgage security under the Security Agreement.

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of the Guarantee exceed 5% but all are less than 25%, the Guarantee Agreement and the transaction thereunder constitutes a discloseable transaction of the Company, and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

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GUARANTEE AGREEMENT

Date: 18 December 2019

Parties: (1) Beijing Capital Real Estate (as the guarantor); and
(2) Beijing Rural Commercial Bank (as the lender)

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

Pursuant to the Guarantee Agreement, Beijing Capital Real Estate agreed to provide the Project Company with a transitional guarantee with a principal of not more than RMB750,000,000 based on its 50% shareholding in the Project Company, as well as any interest, penalty interest, liquidated damages and other related expenses incurred by Beijing Rural Commercial Bank to enforce its creditor's rights. The Guarantee shall remain effective until the earlier of two years from the next day of date on which the repayment obligation of the Project Company under the Loan Agreement is fulfilled and the successful establishment of the mortgage security under the Security Agreement.

REASONS FOR AND BENEFITS OF PROVIDING THE GUARANTEE

Zhongguancun IC Park is a benchmark project of the Company focusing on the high-tech industrial property business. The park was officially opened in November 2018 and has now become an important carrier platform where Beijing's integrated circuit design industry clusters. The Loan will bring continuous and stable low-cost funds for the subsequent development of the project, and can be used to repay the original bank loans and certain shareholder loans, thereby reducing tie-up of shareholders' funds and improving the turnover efficiency of its shareholders' funds.

The Loan was guaranteed transitionally by the shareholders of the Project Company based on their shareholding percentages and the Guarantee will be automatically released upon the mortgage security under the Security Agreement is successfully established. The term

of the transitional guarantee is expected to be around one year. Currently, leasing and operation of the project goes well, and its rents have become the benchmark for the rents of surrounding science and technology parks. Therefore, the future repayment sources for the Loan are secured. Since the shareholders of the Project Company will provide guarantee in equal proportion, the risk of guarantee obligations assumed by the Group is considered controllable.

The Directors are of the view that the Guarantee Agreement and the transaction thereunder has been entered into on normal commercial terms, and the terms and conditions are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ABOUT THE COMPANY, BEIJING CAPITAL REAL ESTATE, BEIJING RURAL COMMERCIAL BANK AND THE PROJECT COMPANY

The Company

The Company is a joint stock limited 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.

Beijing Capital Real Estate

Beijing Capital Real Estate is a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company. Beijing Capital Real Estate is principally engaged in property development and enterprise management in the PRC.

Beijing Rural Commercial Bank

Beijing Rural Commercial Bank is a joint stock commercial bank incorporated under the laws of the PRC and is a state-owned financial enterprise in Beijing.

Project Company

The Project Company is a company established in the PRC with limited liability and a joint venture of the Company. As at the date of this announcement, the Project Company is owned as to 50% by Beijing Capital Real Estate, 40% by Zhongguancun Development Group Co., Ltd.* (中關村發展集團股份有限公司) and 10% by Beijing Zhongguancun Software Park Development Co., Ltd.* (北京中關村軟件園發展有限責任公司), a

subsidiary of Zhongguancun Development Group. Zhongguancun Development Group Co., Ltd. and Beijing Zhongguancun Software Park Development Co., Ltd. are third parties independent of the Company and its connected persons. The Project Company is mainly engaged in the development and operation of Zhongguancun IC Park.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of the Guarantee exceed 5% but all are less than 25%, the Guarantee Agreement and the transaction thereunder constitutes 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, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Beijing Capital Real Estate”	Beijing Capital Real Estate Enterprise Management Co., Ltd.* (北京首置房地產企業管理有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Beijing Rural Commercial Bank”	Haidian New District Sub-branch of Beijing Rural Commercial Bank Co., Ltd.
“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 under the laws of the PRC with limited liability whose H shares are listed and traded on the Main Board of the Stock Exchange (stock code: 2868)
“connected person(s)”	having the meaning ascribed to such term in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

“Guarantee”	the transitional joint liability guarantee that the Beijing Capital Real Estate agreed to provide for the Loan from Beijing Rural Commercial Bank to the Project Company, with a principal of not more than RMB750,000,000 based on its 50% shareholding in the Project Company, as well as any interest, penalty interest, liquidated damages and other related expenses incurred by Beijing Rural Commercial Bank to enforce its creditor’s rights
“Guarantee Agreement”	the guarantee agreement entered into between Beijing Capital Real Estate and Beijing Rural Commercial Bank on 18 December 2019 in relation to the Guarantee
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the provision of a loan by Beijing Rural Commercial Bank to the Project Company with a total amount of not more than RMB1,500,000,000, with a loan interest equal to 5-year loan prime rate (LPR) published by the National Interbank Funding Center minus 19.5 BPs (subject to subsequent annual adjustment based on LPR), and a term of not more than 10 years
“Loan Agreement”	the loan agreement entered into between Beijing Rural Commercial Bank and the Project Company on 18 December 2019 in relation to, among others, the Loan
“PRC”	the People’s Republic of China, for the purposes of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Project Company” or “Zhongguancun IC Park”	Zhongguancun Integrated Circuit Park Development Co., Ltd.* (北京中關村集成電路設計園發展有限責任公司), a company incorporated in the PRC with limited liability, whose equity interests are indirectly held as to 50% by the Company and Zhongguancun Development Group Co., Ltd., respectively, and as at the date of this announcement, a joint venture of the Company

“RMB”	Renminbi, the lawful currency of the PRC
“Security Agreement”	the security agreement to be entered into between the Project Company and Beijing Rural Commercial Bank in relation to asset security under the terms of the Loan Agreement. When the mortgage security under this agreement is successfully established, the Guarantee under the Guarantee Agreement shall be automatically released
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 18 December 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 prevails.*