

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



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 PUBLIC ISSUE OF DOMESTIC CORPORATE BONDS IN THE PRC

The Board announces that 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 RMB5 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 corporate debts.

A circular containing the details of the proposed issue of Domestic Corporate Bonds and a notice convening the EGM will be dispatched to the Shareholders as soon as practicable.

PROPOSED PUBLIC ISSUE OF DOMESTIC CORPORATE BONDS IN THE PRC

1. Background

On 15 April 2021, 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 RMB5 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 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 RMB5 billion, shall be issued in one or more tranches (actual amount will be subject to the approval of the regulatory authority)
- (4) Arrangement: Public issuance to professional investors (small public issuance)
- (5) Nominal Value: The nominal value shall be RMB100
- (6) Target Subscribers: Professional investors
- (7) Maturity: Not more than ten 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 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) 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 (if necessary), rating arrangements, arrangements for the repayment of principal and the payment of interests, repayment security matters, listing 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 registration, issuance and listing of the Domestic Corporate Bonds;

- (d) to take any and all necessary, beneficial or appropriate actions in relation to this registration, issuance and listing of Domestic Corporate Bonds, 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;
- (e) to determine whether to proceed this registration and 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 registration, issuance and listing of the Domestic Corporate Bonds.

The authority granted to any one of the executive Directors to deal with the above matters relating to the Bond Issue shall take effect from the date of obtaining approval at the EGM until the date when all the authorized matters in relation to the Bond Issue 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 and Benefit for the proposed issue of the Domestic Corporate Bonds

The issuance of Domestic Corporate Bonds is for settlement of the 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.

EXTRAORDINARY GENERAL MEETING

An EGM will be convened by the Company to approve the proposed issue of the Domestic Corporate Bonds by special resolutions.

A circular containing the details of the proposed issue of the Domestic Corporate Bonds and the EGM Notice will be dispatched to Shareholders as soon as practicable.

DEFINITIONS

In this announcement, unless otherwise defined, the following terms shall 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 RMB5 billion as proposed under a public issuance by the Company
“EGM”	the Extraordinary General Meeting to be held at Block A, Fucheng Building, No. 98 Beilishi Road, Xicheng District, Beijing, PRC to approve the Bond Issue and the relevant authorization in relation to the Bond Issue
“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 announcement, Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Hong Kong, 15 April 2021

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. Huang Ziquan, Mr. Hu Weimin and Mr. Fan Shubin who are the executive Directors, Ms. Sun Baojie who is the non-executive Director, Mr. Li Wang, Mr. Wong Yik Chung, John and Mr. Liu Xin who are the independent non-executive Directors.