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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 FOR A JOINT VENTURE

On 22 April 2021, the Project Company (a joint venture with 33% equity held by Shoujin Hechuang, a wholly-owned subsidiary of the Company) entered into the Syndicated Loan Agreement with China Construction Bank and Bank of Beijing, pursuant to which the Lender will provide the Project Company with a loan in aggregate amount of not exceeding RMB1,000,000,000 with a term not more than 5 years and an interest rate of one-year LPR plus 0.65% (which shall be adjusted every 12 months with reference to the then LPR) for the development and construction of the parcel located at Jinhaihu Town, Pinggu District, Beijing, the PRC.

The Board is pleased to announce that, on 22 April 2021, the Company entered into the Syndicated Loan Guarantee Agreement with the Lender in respect of the Syndicated Loan Agreement, in relation to the provision of a joint liability guarantee for the loan with the principal amount of not more than RMB330,000,000 by the Company to the Project Company in accordance with its 33% indirect shareholding in the Project Company, with a term from the effective date of the Syndicated Loan Guarantee Agreement to the end day of three years from the maturity date of any loans under the Syndicated Loan Agreement or from the maturity date as renewed by an extension agreement (if any).

LISTING RULES IMPLICATIONS

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

INTRODUCTION

On 22 April 2021, the Project Company (a joint venture with 33% equity held by Shoujin Hechuang, a wholly-owned subsidiary of the Company) entered into the Syndicated Loan Agreement with China Construction Bank and Bank of Beijing, pursuant to which the Lender will provide the Project Company with a loan in aggregate amount of not exceeding RMB1,000,000,000 with a term not more than 5 years and an interest rate of one-year LPR plus 0.65% (which shall be adjusted every 12 months with reference to the then LPR) for the development and construction of the parcel located at Jinhaihu Town, Pinggu District, Beijing, the PRC.

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SYNDICATED LOAN GUARANTEE AGREEMENT

On 22 April 2021, the Project Company entered into the Syndicated Loan Agreement with China Construction Bank and Bank of Beijing, pursuant to which the Lender will provide the Project Company with a loan in an aggregate amount of not exceeding RMB1,000,000,000 with a term not more than 5 years and an interest rate of one-year LPR plus 0.65% (which shall be adjusted every 12 months with reference to the then LPR) for the development and construction of the parcel located at Jinhaihu Town, Pinggu District, Beijing, the PRC. On the same date, the Company entered into the following Syndicated Loan Guarantee Agreement with China Construction Bank and Bank of Beijing:

Date: 22 April 2021

Parties: (1) the Company (as the guarantor); and
(2) China Construction Bank;
Bank of Beijing;
(as the lenders of the syndicated loan)

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, China Construction Bank, Bank of Beijing and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

Guarantee: The Company agreed to provide the Project Company with a joint liability guarantee for the loan with the principal amount of not more than RMB330,000,000, in accordance with its 33% indirect shareholding in the Project Company, together with corresponding interest, default interest, compound interest, liquidated damages and compensation, as well as necessary and reasonable expenses and all other related expenses incurred in realizing the security right and creditor's rights.

Term of the Guarantee: The term of the Guarantee is from the effective date of the Syndicated Loan Guarantee Agreement to the maturity date of any loans under the Syndicated Loan Agreement or three years from the maturity date renewed by an extension agreement (if any).

REASONS FOR AND BENEFITS OF PROVISION OF GUARANTEE

The Jinhaihu Project is located at Jinhaihu Town, Pinggu District, Beijing, adjacent to Jinhaihu Resort and the main venue of World Leisure Congress, which is a high-quality residential parcel in this district. It is jointly developed by the Company, Beijing Jindi and Beijing Shoukai. This loan will bring stable and low-cost funds for the subsequent development and construction of the project, effectively reduce tie-up of project shareholders' funds, improve the turnover efficiency of its shareholders' funds and increase the return on investment. The shareholders of the Project Company will provide a joint liability guarantee in pro-rata basis with risks shared by three parties of the project. Benefiting from its favorable location, it is expected that the project will bring a stable fund source for repayment in the future, therefore, the risk of guarantee obligations assumed by the Group is considered controllable.

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

LISTING RULES IMPLICATIONS

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

GENERAL INFORMATION ABOUT THE COMPANY AND ALL 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 Company is a leading large-scale integrated real estate developer in the PRC, focusing primarily on developing the four main business streams of residential property development, integrated outlets, urban core integrated complex and primary land development, complemented by innovative business areas such as high-tech industrial properties, cultural and creative industries and rental housing.

The Project Company

The Project Company is a company incorporated under the laws of the PRC with limited liability and is principally engaged in the development and operation of Jinhaihu Project. As at the date of this announcement, it is owned as to 33%, 34% and 33% by Shoujin Hechuang (a wholly-owned subsidiary of the Company), Beijing Jindi (an Independent Third Party) and Beijing Shoukai (an Independent Third Party), respectively, and is a joint venture of the Company.

China Construction Bank

China Construction Bank is a joint-stock commercial bank incorporated under the laws of the PRC. Its H shares and A shares are listed on the Stock Exchange (Stock Code: 939) and the SSE (Stock Code: 601939), respectively.

Bank of Beijing

Bank of Beijing is a joint stock company incorporated under the laws of the PRC and a licensed bank in the PRC, whose shares are listed on the SSE (Stock Code: 601169).

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

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| “Bank of Beijing” | Bank of Beijing Co., Ltd., Jian Guo Branch |
| “Beijing Jindi” | Beijing Jindi Real Estate Development Co., Ltd.* (北京金第房地產開發有限責任公司), a company incorporated in the PRC with limited liability, which is a large-scale real estate development and operation enterprise, whose shares are controlled by Beijing Uni-Construction Group and invested by Beijing Vanke Enterprise Co., Ltd.. Beijing Jindi possesses National Class A Real Estate Development Qualification and is principally engaged in real estate development, sales of property and property management |
| “Beijing Shoukai” | Beijing Capital Development Co., Ltd. (北京首都開發股份有限公司), a limited company incorporated in the PRC and listed on the SSE (Stock Code: 600376), which is a large-scale real estate development and operation enterprise, whose shares are controlled by Beijing Capital Development Holding (Group) Co., Ltd. Beijing Shoukai possesses National Class A Real Estate Development Qualification and is principally engaged in real estate development |
| “Board” | the board of Directors of the Company |
| “China Construction Bank” | China Construction Bank Corporation, Beijing Urban Construction Development Professional Branch |
| “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)” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “Group” | the Company and its subsidiaries |

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| “Guarantee” | the Company agrees to provide the Project Company with a joint liability guarantee for the loan with the principal amount of not more than RMB330,000,000, in accordance with its 33% indirect shareholding in the Project Company, together with corresponding interest, default interest, compound interest, liquidated damages and deferred payment, as well as necessary and reasonable expenses and all other related expenses incurred in realizing the security right and creditor’s rights |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Independent Third Party” | to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, person(s) or not being connected person(s) of our Company under the Listing Rules |
| “Jinhaihu Project” | the project that the Project Company obtained on 27 June 2019 through the land tender, auction and listing-for-sale process, located at Jinhaihu, Pinggu District, Beijing |
| “Lender” | a syndicate of banks by China Construction Bank and Bank of Beijing |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “PRC” | the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Project Company” | Beijing Jingu Chuangxin Real Estate Co., Ltd.* (北京金谷創信置業有限責任公司), a company incorporated in the PRC with limited liability, which is owned as to 33%, 34% and 33% by Shoujin Hechuang, Beijing Jindi and Beijing Shoukai, respectively, and is a joint venture of the Company |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Shoujin Hechuang” | Shoujin Hechuang (Tianjin) Real Estate Co., Ltd.* (首金合創(天津)置業發展有限公司), a limited company incorporated in the PRC and a wholly-owned subsidiary of the Company |
| “SSE” | the Shanghai Stock Exchange |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Syndicated Loan Agreement” | the real estate development syndicated loan agreement entered into between the Project Company and the Lender on 22 April 2021 in relation to the provision of a loan in an amount not exceeding RMB1,000,000,000 by the Project Company to the Lender with a term of not more than 5 years for the development and construction of the Jinhaihu Project |

“Syndicated Loan Guarantee Agreement” the syndicated loan guarantee agreement entered into between the Company, China Construction Bank and Bank of Beijing on 22 April 2021 in relation to the Guarantee

“%” per cent

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

Hong Kong, 22 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, and Mr. Li Wang, Mr. Wong Yik Chung, John and Mr. Liu Xin who are the independent non-executive Directors.

* *for identification purpose only*