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**Beijing Capital City  
Development Group Co., Ltd.\***  
北京首創城市發展集團有限公司  
*(a company incorporated in the  
People's Republic of China with limited liability)*

 **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)**

## **JOINT ANNOUNCEMENT**

# **IRREVOCABLE UNDERTAKING RELATING TO PROPOSED PRE-CONDITIONAL PRIVATISATION OF THE COMPANY BY THE OFFEROR BY WAY OF MERGER BY ABSORPTION AND PROPOSED WITHDRAWAL OF LISTING**



**Financial Adviser to the Offeror**

### **1. INTRODUCTION**

Reference is made to the joint announcement issued by Beijing Capital Land Ltd. (the “**Company**”) and Beijing Capital City Development Group Co., Ltd.\* (北京首創城市發展集團有限公司) (the “**Offeror**”) dated 9 July 2021 in relation to, among other things, the proposed pre-conditional privatisation of the Company by way of merger by absorption (the “**3.5 Announcement**”). Unless otherwise defined, capitalised terms used in this joint announcement have the same meanings as defined in the 3.5 Announcement.

## 2. IRREVOCABLE UNDERTAKING

On 24 August 2021, Reco Pearl Private Limited (“**Reco Pearl**”) entered into an irrevocable undertaking in favour of the Offeror (the “**Irrevocable Undertaking**”) pursuant to which Reco Pearl has irrevocably and unconditionally undertaken, among other things, that:

- (a) it will exercise or procure the exercise of the voting rights attached to:
  - (i) 181,194,000 H Shares owned by Reco Pearl as at the date of this joint announcement (the “**Reco Shares**”); and
  - (ii) any other Shares in which Reco Pearl has a direct or indirect interest after the date of the Irrevocable Undertaking,to vote in favour of the special resolutions to approve the Merger Agreement (including the Merger) at the EGM and the H Shareholders’ Class Meeting; and
- (b) for the period from the date of the Irrevocable Undertaking until the Delisting Date (if applicable), it shall not:
  - (i) sell, offer to sell, mortgage, charge, pledge, hypothecate or otherwise dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Reco Shares;
  - (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Reco Shares; or
  - (iii) enter into any transaction with the same effect as any transaction specified in paragraphs (b)(i) and (b)(ii) above.

The Irrevocable Undertaking from Reco Pearl shall terminate immediately if: (a) all the Pre-Condition and the Conditions are not satisfied or waived (if applicable) by the Longstop Date; (b) the Merger is not approved at the EGM and/or the H Shareholders' Class Meeting; (c) the Merger Agreement is terminated, or the Merger otherwise lapses or is withdrawn; or (d) Reco Pearl is required to withdraw from the Irrevocable Undertaking by any governmental or regulatory body or court having jurisdiction over it due to illegality.

As disclosed in the 3.5 Announcement, the Offeror had applied to the Executive for rebutting the presumption that Reco Pearl is "acting in concert" with the Offeror under Class (1) of the definition of "acting in concert" under the Takeovers Code. The Offeror has since obtained the Executive's ruling and Reco Pearl is not considered as acting in concert with the Offeror for the purpose of the Merger.

As at the date of this joint announcement, Reco Pearl owns 181,194,000 H Shares, representing approximately 4.15% of the issued Shares and approximately 11.83% of the H Shares held by the Independent H Shareholders.

### 3. WARNING

**The Conditions to Effectiveness must be satisfied before the Merger Agreement becomes effective. The Merger Agreement becoming effective is therefore a possibility only. Further, Shareholders and potential investors in the securities of the Company should be aware that the Merger is also subject to the Conditions to Implementation set out in the Joint Announcement being satisfied or waived, as applicable. Neither the Offeror nor the Company provides any assurance that any or all Conditions can be satisfied, and thus the Merger Agreement may or may not become effective or, if effective, may or may not be implemented or completed. Shareholders and potential investors in the securities of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional adviser.**

By Order of the Board of  
**Beijing Capital City Development  
Group Co., Ltd.\***  
**Yang Weibin**  
*Director*

By Order of the Board of  
**Beijing Capital Land Ltd.**  
**Li Songping**  
*Chairman*

Beijing  
24 August 2021

*As at the date of this joint announcement, the sole director of the Offeror is Mr. Yang Weibin. The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than in relation to the Company) and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any of the statements in this joint announcement misleading.*

*As at the date of this joint announcement, the board of directors of Capital Group comprises Mr. He Jiangchuan (Chairman), Mr. Li Songping, Mr. Gong Yongtao, Mr. Cui Yeguang, Mr. Kan Zhenfang and Mr. Bai Yan. The directors of Capital Group jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than in relation to the Company) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any of the statements in this joint announcement misleading.*

*As at the date of this joint announcement, the Board 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. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than in relation to the Offeror and Capital Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the sole director of the Offeror and the directors of Capital Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any of the statements in this joint announcement misleading.*

\* *For identification purpose only*