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China Jinmao Holdings Group Limited
中國金茂控股集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 00817)

ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
PROVISION OF EARNEST MONEY LOAN TO NANJING JIATAI

The Board announces that on 26 January 2024, Hefei Fengmao, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with BCDC and Nanjing Jiatai, pursuant to which, for the purpose of their subsequent cooperation in the development of the Land Parcel, Hefei Fengmao (i) agreed to provide Nanjing Jiatai with the Earnest Money Loan in an aggregate amount of not exceeding RMB612,021,265 at an interest rate of 5.5% per annum; and (ii) conditionally agreed to participate in the listing-for-sale process for the capital increase of Nanjing Jiatai. The land use right of the Land Parcel was acquired by BCDC through a public tender process on 14 December 2023. Nanjing Jiatai is the Project Company established by BCDC for the development of the Land Parcel.

As the highest applicable percentage ratio in respect of the provision of the Earnest Money Loan exceeds 5% but is less than 25%, the provision of the Earnest Money Loan constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

BACKGROUND

The Board announces that on 26 January 2024, Hefei Fengmao, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with BCDC and Nanjing Jiatai, pursuant to which, for the purpose of their subsequent cooperation in the development of the Land Parcel, Hefei Fengmao (i) agreed to provide Nanjing Jiatai with the Earnest Money Loan in an aggregate amount of not exceeding RMB612,021,265 at an interest rate of 5.5% per annum; and (ii) conditionally agreed to participate in the listing-for-sale process for the capital increase of Nanjing Jiatai. The land use right of the Land Parcel was acquired by BCDC through a public tender process on 14 December 2023. Nanjing Jiatai is the Project Company established by BCDC for the development of the Land Parcel.

MAJOR TERMS OF THE AGREEMENT

Date

26 January 2024

Parties

- Hefei Fengmao, an indirect wholly-owned subsidiary of the Company
- BCDC
- Nanjing Jiatai

Provision of Earnest Money Loan

Pursuant to the Agreement, Hefei Fengmao agreed to provide the Project Company with the Earnest Money Loan in an aggregate amount of not exceeding RMB612,021,265 at an interest rate of 5.5% per annum; the Project Company shall not use the loan for purposes unrelated to the development of the Land Parcel.

Hefei Fengmao shall, upon signing of the Agreement and the issuance of a liquidity support obligation commitment letter to Hefei Fengmao by the designated wholly-owned subsidiary of BCDC, provide the Project Company with the Earnest Money Loan in tranches in accordance with the amount demanded by the Project Company.

The Earnest Money Loan was determined between the parties after mutual negotiation and based on the recent funding requirements of the Project Company, and will be funded by the Group with its internal resources.

Participation in the Listing-For-Sale Process

Pursuant to the agreement, after (i) the Project Company has obtained the approval for the change of the land transferee from BCDC to the Project Company; and (ii) Hefei Fengmao has provided the Earnest Money Loan on time and the Project Company has paid 50% of the land transfer fee for the Land Parcel, BCDC and the Project Company shall proceed with a listing-for-sale process on an equity exchange institution recognized by the state-owned assets regulator, to introduce investor(s) through a form of capital increase and share expansion. Investors who win the bid will be able to acquire 51% of the equity interests in the Project Company. The listing price for the acquisition of such equity interests shall be determined by reference to the net assets value of the Project Company to be appraised by an independent third-party valuer as at the valuation benchmark date (which is tentatively set at 31 January 2024, subject to the date selected in the final report).

Hefei Fengmao conditionally agreed to participate in the listing-for-sale process for the capital increase of the Project Company. The Company will comply with the relevant requirements under the Listing Rules for this transaction arrangement as and when appropriate if Hefei Fengmao wins the bid in the listing-for-sale process.

Repayment

If Hefei Fengmao wins the bid in the listing-for-sale process, the Project Company shall repay part of the Earnest Money Loan in an amount equivalent to the additional registered capital subscribed for by Hefei Fengmao after Hefei Fengmao makes the full payment for its capital injection to the Project Company, and the remaining amount of the Earnest Money Loan will be converted to the shareholder's loan from Hefei Fengmao to the Project Company, which will continue to bear interest at the rate of 5.5% per annum.

If Hefei Fengmao does not win the bid in the listing-for-sale process, the principal of the Earnest Money Loan, together with the interest accrued thereon, shall be repaid in full by the Project Company within 5 working days upon receipt of the written notice from Hefei Fengmao.

INFORMATION ON THE PROJECT COMPANY AND THE LAND PARCEL

BCDC acquired the land use right of the Land Parcel through a public tender process at a consideration of RMB1,100 million on 14 December 2023, and established the Project Company on 17 January 2024 for the development of the Land Parcel. As at the date of this announcement, the registered capital of the Project Company is RMB20 million. The Land Parcel is located in Gulou District, Nanjing, Jiangsu Province, the PRC, and designated for residential use, with a site area of approximately 16,700 square meters and a planned plot ratio-based gross floor area of approximately 36,730 square meters.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The provision of the Earnest Money Loan by Hefei Fengmao to the Project Company is conducive to the further implementation of various matters in relation to the joint development of the Land Parcel by the Group and BCDC, and enables the parties to fully utilize their resources to optimize the project gains, thereby laying a foundation for the Group's acquisition of quality land resources in Nanjing.

The Directors consider that the transaction under the Agreement (including the provision of the Earnest Money Loan) is conducted on normal commercial terms, and the terms of the Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the provision of the Earnest Money Loan exceeds 5% but is less than 25%, the provision of the Earnest Money Loan constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL INFORMATION

The Company is a developer and operator of large-scale and quality real estate projects in the PRC. The Company is the platform enterprise of Sinochem Holdings Corporation Ltd. in the development of real estate business. The Company is currently principally engaged in city operations, property development, commercial leasing, retail operations, hotel operations, as well as technology and services.

Hefei Fengmao is an indirect wholly-owned subsidiary of the Company and is principally engaged in real estate development and operation in the PRC.

According to publicly disclosed information of BCDC, BCDC is principally engaged in real estate development, property operation, urban renewal and real estate finance in the PRC. It is controlled by Beijing Capital Development Holdings (Group) Co., Ltd. (北京首都開發控股(集團)有限公司), a solely state-owned company of Beijing Municipality. The shares of BCDC are listed on the Shanghai Stock Exchange (stock code: 600376).

The Project Company is mainly engaged in real estate development in the PRC.

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

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Agreement”	the joint development agreement entered into by and among Hefei Fengmao, BCDC and the Project Company on 26 January 2024
“BCDC”	Beijing Capital Development Co., Ltd. (北京首都開發股份有限公司), a company with limited liability established under the laws of the PRC
“Board”	the board of Directors of the Company
“Company”	China Jinmao Holdings Group Limited (中國金茂控股集團有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Earnest Money Loan”	the loan in the form of earnest money in an aggregate amount of not exceeding RMB612,021,265 provided by Hefei Fengmao to the Project Company pursuant to the Agreement

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hefei Fengmao”	Hefei Fengmao Real Estate Development Company Limited (合肥豐茂房地產開發有限公司), a company with limited liability established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“Land Parcel”	the land parcel No. 2023G89 situated in Gulou District, Nanjing, the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nanjing Jiatai” or “Project Company”	Nanjing Jiatai Zhumao Real Estate Co., Ltd. (南京嘉泰築茂置業有限公司), a company with limited liability established under the laws of the PRC and, as at the date of this announcement, a wholly-owned subsidiary of BCDC
“PRC”	the People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules

By order of the Board
China Jinmao Holdings Group Limited
ZHANG Zenggen
Chairman

Hong Kong, 26 January 2024

As at the date of this announcement, the Directors of the Company are Mr. ZHANG Zenggen (Chairman), Mr. TAO Tianhai, Mr. ZHANG Hui and Ms. QIAO Xiaojie as Executive Directors; Mr. CHENG Yong, Ms. CHEN Aihua, Mr. AN Hongjun and Ms. WANG Wei as Non-executive Directors; and Mr. SU Xijia, Mr. SUEN Man Tak, Mr. GAO Shibin and Mr. ZHONG Wei as Independent Non-executive Directors.