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BEIJING PROPERTIES (HOLDINGS) LIMITED

北京建設（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 925)

**ISSUANCE OF CNY1,500,000,000 5.4% GUARANTEED BONDS DUE 2027
AND DISCLOSURE PURSUANT TO RULE 13.18 OF
THE LISTING RULES**

The Board is pleased to announce that the Company and the Issuer entered into a Subscription Agreement with the Joint Lead Managers in connection with the Bonds Issue on 20 June 2024 (after trading hours).

The gross proceeds from the issuance of the Bonds will be CNY1,500,000,000.

The Group intends to use the net proceeds received from the Bonds for refinancing of existing borrowings of the Group, project investment and the Group's general corporate purpose.

Application will be made to the MOX for the listing of the Bonds by way of debt issues to the MOX Professional Investors only. A confirmation of eligibility for listing of the Bonds has been received from the MOX.

Completion of the Subscription Agreement is subject to the satisfaction, or waiver, of the conditions precedent therein. In addition, the Subscription Agreement may be terminated under certain circumstances. As the Bonds Issue may or may not be completed, shareholders of the Company and prospective investors are reminded to exercise caution when dealing in the shares of the Company.

INTRODUCTION

The Board is pleased to announce that the Company and the Issuer entered into a Subscription Agreement with the Joint Lead Managers in connection with the Bonds Issue on 20 June 2024 (after trading hours).

THE SUBSCRIPTION AGREEMENT

Date

20 June 2024

Parties to the Subscription Agreement

- (a) the Issuer;
- (b) the Company as the guarantor; and
- (c) the Joint Lead Managers.

Haitong International Securities Company Limited, ABCI Capital Limited, BOCOM International Securities Limited, CEB International Capital Corporation Limited, China CITIC Bank International Limited, China Galaxy International Securities (Hong Kong) Co., Limited, China Industrial Securities International Brokerage Limited, China International Capital Corporation Hong Kong Securities Limited, China Securities (International) Corporate Finance Company Limited, CLSA Limited, CMBC Securities Company Limited, CNCB (Hong Kong) Capital Limited, GF Securities (Hong Kong) Brokerage Limited, Guotai Junan Securities (Hong Kong) Limited, Industrial Bank Co., Ltd. Hong Kong Branch, SunRiver International Securities Group Limited and Zhongtai International Securities Limited are the Joint Lead Managers in respect of the offer and sale of the Bonds. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Joint Lead Managers are independent third parties and are not connected persons of the Company.

The Bonds and the Guarantee by the Company have not been, and will not be, registered under the U.S. Securities Act. Accordingly, the Bonds are being offered or sold outside the United States in accordance with Regulation S under the U.S. Securities Act. The Bonds will not be offered to the public in Hong Kong.

PRINCIPAL TERMS OF THE BONDS

Bonds Offered

Subject to certain conditions to completion, the Issuer will issue the Bonds in an initial aggregate principal amount of CNY1,500,000,000, which will mature on 27 June 2027 unless redeemed prior to their maturity pursuant to the terms thereof. At maturity, the Bonds are payable at their principal amount plus accrued interest thereon. The Bonds will benefit from a keepwell and liquidity support deed (the “**Keepwell and Liquidity Support Deed**”) issued by Beijing Enterprises Group Company Limited (北京控股集團有限公司) (the “**Keepwell Provider**”).

Issue Price

100% of the principal amount of the Bonds.

Denomination

The denomination of the Bonds shall be CNY1,000,000 and integral multiples of CNY10,000 in excess thereof.

Interest

The Bonds will bear interest at a rate of 5.4% per annum, payable semi-annually in arrear on 27 June and 27 December in each year, commencing on 27 December 2024.

Ranking of the Bonds and Guarantee

The Bonds will constitute direct, unsubordinated, unconditional and (subject to the Conditions) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to the Conditions, at all times rank at least equally with all the Issuer’s other present and future unsecured and unsubordinated obligations.

The obligations of the Company under the Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to the Conditions, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

Events of Default

The events of default under the Conditions include, among others:

- (a) **Non-Payment:** failure by the Issuer and the Company to pay principal or premium (if any) in respect of any Bond by the due date for such payment, or failure by the Issuer and the Company to pay interest on any Bond within 14 days after the due date for such payment; or
- (b) **Breach of Other Obligations:** the Issuer, the Company or the Keepwell Provider defaults in the performance of or breaches any covenant or agreement under or in respect of the Bonds or the Trust Deed, the Keepwell and Liquidity Support Deed or the Agency Agreement (other than a default specified in clause (a) above or any failure to perform or comply with certain undertakings in the Keepwell and Liquidity Support Deed to the extent such failure to perform or comply results in a Change of Control and gives the holder of any Bond a right to require redemption of such holder's Bonds pursuant to the Conditions) and such default or breach continues for a period of 30 consecutive days after written notice by the Trustee to the Issuer or the Company; or
- (c) **Cross-Default:** there occurs with respect to any indebtedness of, or guaranteed by, the Issuer, the Company or any of the Company's Subsidiaries having an outstanding principal amount of U.S.\$66.0 million (or the U.S. dollar equivalent thereof) or more in the aggregate for all such indebtedness of all such persons, whether such indebtedness now exists or shall hereafter be created, (i) an event of default that has caused the holder thereof to declare such indebtedness to be due and payable prior to its stated maturity and/or (ii) the failure to make a payment of principal, interest or premium when due; or
- (d) **Judgments:** one or more final judgments or orders for the payment of money are rendered against the Issuer, the Company or any of the Company's Subsidiaries and are not paid or discharged, and there is a period of 120 consecutive days following (i) entry of the final judgment or order or (ii) in the case of the Resettlement Arrangements (as defined below), the deadline imposed for payment or discharge in such final judgment or order, that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such persons to exceed U.S.\$80.0 million (or the U.S. dollar equivalent thereof) (the "**Judgment Threshold Amount**") during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect, provided that any such final judgment(s) or order(s) in respect of or in connection with the resettlement arrangements for the land occupied by the Metro Mall as described in the offering circular issued in connection with the Bonds (the "**Resettlement Arrangements**") in an aggregate outstanding amount not exceeding U.S.\$65.9 million (or the U.S. dollar equivalent thereof) shall not constitute an event of default under this paragraph (d) and shall not be taken into account for the purpose of determining the Judgment Threshold Amount. For the avoidance of doubt, to the extent any final judgment(s) or order(s) in respect of or in connection with the Resettlement

Arrangements are in excess of U.S.\$65.9 million (or the U.S. dollar equivalent thereof), the amount of such excess shall be taken into account for the purposes of determining the Judgment Threshold Amount; or

- (e) **Insolvency:** the Issuer, the Company or any of the Company's Principal Subsidiaries (as defined in the Conditions) is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts (whether actual or contingent), stops, suspends or threatens to stop or suspend, payment of all or a material part of (or of a particular type of) its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or all of a particular type of) its debts (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer, the Company or any of the Principal Subsidiaries; or an administrator or liquidator of the Issuer, the Company or any of the Company's Principal Subsidiaries or the whole or any material part of the assets and turnover of the Issuer, the Company or any of the Company's Principal Subsidiaries is appointed (or an application for any such appointment is made); or
- (f) **Winding-up:** (i) an order is made or an effective resolution passed for the termination, winding-up or dissolution, administration or judicial management of the Issuer, the Company or any of the Company's Principal Subsidiaries or (ii) the Issuer, the Company or any of the Company's Principal Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, except, in the case of sub-paragraphs (i) or (ii), (A) for the purpose of, and followed by, a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an extraordinary resolution of holders of the Bonds, (B) where the termination, winding-up or dissolution of any of the Company's Principal Subsidiaries is due to a solvent termination, winding-up or dissolution or (C) where the cessation of such business or operations by any of the Company's Principal Subsidiaries is as a result of a disposal on arm's length terms. For the avoidance of doubt, the execution and/or completion of any of the transactions described in "*Description of the Group – Disposals of Project Companies*" of the offering circular issued in connection with the Bonds shall not constitute an event of default under this paragraph (f); or
- (g) **Enforcement Proceedings:** a distress, attachment, execution, seizure before judgment or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer, the Company or any of the Company's Principal Subsidiaries and is not discharged within 90 days that causes the aggregate amount for all such distress, attachment, execution, seizure before judgment or other legal process outstanding and not discharged against all such Persons to exceed U.S.\$80,000,000 (or the Dollar Equivalent thereof) (the "**Enforcement Proceedings Threshold Amount**"), provided that any such distress, attachment, execution or seizure in respect of or in connection with the litigation of Beijing Yunzhong Management Consulting Co., Ltd. (北

京允中管理諮詢有限公司) as described in the section headed “*Description of the Group – Legal Compliance and Proceedings*” in the offering circular issued in connection with the Bonds shall not constitute an event of default under this paragraph (g) and shall not be taken into account for the purpose of determining the Enforcement Proceedings Threshold Amount; or

- (h) **Security Enforced:** an encumbrancer takes possession or an administrative or other receiver or an administrator or other similar officer is appointed of the whole or any material part of the property, assets or revenues of the Issuer, the Company or any of the Company’s Principal Subsidiaries (as the case may be) and is not discharged within 60 days; or
- (i) **Assignment:** the Issuer, the Company or any of the Company’s Principal Subsidiaries makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors); or
- (j) **Nationalisation:** any step is taken by any person that will result in the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer, the Company or any of the Company’s Principal Subsidiaries such that the Issuer, the Company or any of the Company’s Principal Subsidiaries, as applicable, is prevented from exercising normal control over all or a material part of its property, assets or turnover (to the extent that such assets have not already been seized, compulsory acquired, expropriated or nationalised); or
- (k) **Ownership:** the Issuer ceases to be a subsidiary wholly-owned and controlled, directly or indirectly, by the Company; or
- (l) **Unenforceability:** any of the Bonds, the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed or the Guarantee is or becomes unenforceable or invalid; or
- (m) **Approval:** any regulation, decree, consent, approval, license or other authority necessary to enable the Issuer, the Company or the Keepwell Provider to perform its obligations under the Bonds, the Trust Deed, the Agency Agreement, the Keepwell and Liquidity Support Deed or the Guarantee for the validity or enforceability thereof expires or is withheld, revoked or terminated or otherwise ceases to remain in full force and effect or is modified; or
- (n) **Analogous Events:** any event occurs which under the laws of any relevant jurisdiction has or may have an analogous effect to any of the events referred to in paragraphs (d) to (m) above (both inclusive).

If any event of default with respect to the Bonds occurs and is continuing, the Trustee at its discretion may, and if so requested in writing by the holders of at least 25% in aggregate principal amount of the Bonds then outstanding or if so directed by an extraordinary resolution of the holders of the Bonds shall give notice to the Issuer that the Bonds are, and they shall immediately become, due and payable at their principal amount together (if applicable) with accrued interest.

Specific Performance Obligation of Controlling Shareholders under the Conditions

Subject to the Conditions, the holder of each Bond will have the right, at such holder's option, to require the Issuer to redeem all, or some only, of such holder's Bonds at 101% of their principal amount (together with accrued interest) if a Change of Control (as defined below) event occurs.

A "**Change of Control**" event occurs when:

- (a) the State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality does not, directly or indirectly, hold at least 50.1% of the Keepwell Provider's issued and outstanding capital stock or does not Control (as defined in the Conditions) the Keepwell Provider; or
- (b) any person or persons acting together (other than the State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality, the Keepwell Provider or any of their respective Subsidiaries) acquires Control of the Company if such person or person(s) does not or do not have, and would not be deemed to have, Control of the Company on the Closing Date; or
- (c) the Company consolidates with or merges into or sells or transfers all or substantially all of the Company's assets to any other person (other than the State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality, the Keepwell Provider or any of their respective Subsidiaries), unless the consolidation, merger, sale or transfer will not result in the other person or persons acquiring Control over the Company or the successor entity; or
- (d) one or more other persons (other than the State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality, the Keepwell Provider or any of their respective Subsidiaries) acquires the legal or beneficial ownership of all of the Company's issued share capital; or
- (e) (i) the Keepwell Provider or any of its Subsidiaries does not or ceases to own or hold more than 40% of the voting rights of the issued share capital of the Company, whether directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise and/or (ii) the Keepwell Provider or any of its Subsidiaries is not or ceases to be, directly or indirectly, the single largest shareholder of the Company.

THE KEEPWELL AND LIQUIDITY SUPPORT DEED

Date

To be entered on or about 27 June 2024

Parties to the Keepwell and Liquidity Support Deed

- (a) the Issuer;
- (b) the Company as the guarantor;
- (c) the Keepwell Provider; and
- (d) the Trustee.

The Keepwell Provider intends to assist the Issuer and the Company in meeting their obligations under the Bonds and the Trust Deed by entering into the Keepwell and Liquidity Support Deed. According to the Keepwell and Liquidity Support Deed, the Keepwell Provider will, among other things, cause each of the Issuer and the Company to have sufficient liquidity to ensure timely payment by each of the Issuer and the Company of any amounts payable under or in respect of the Bonds and the Guarantee in accordance with the Conditions, the Trust Deed and the Agency Agreement. The Keepwell and Liquidity Support Deed does not constitute a guarantee by the Keepwell Provider in respect of the obligations of the Issuer and the Company under the Bonds and the Trust Deed.

Specific Performance Obligation of Controlling Shareholders under the Keepwell and Liquidity Support Deed

At all times during the term of the Keepwell and Liquidity Support Deed, the Keepwell Provider undertakes with the Issuer, the Company and the Trustee that:

- (a) the Keepwell Provider, the State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality and/or any of their respective Subsidiaries shall Control (as defined in the Conditions) the Company;
- (b) the Keepwell Provider or any of its Subsidiaries shall own or hold more than 40% of the voting rights of the issued share capital of the Company, whether directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise;
- (c) the Keepwell Provider or any of its Subsidiaries shall be, directly or indirectly, the single largest shareholder of the Company; and
- (d) the Keepwell Provider shall procure the Company to directly or indirectly own and hold all the outstanding shares of the Issuer.

This announcement is made in accordance with Rule 13.18 of the Listing Rules.

REASONS FOR THE BONDS ISSUE

The Group intends to use the net proceeds received from the Bonds for refinancing of existing borrowings of the Group, project investment and the Group's general corporate purpose.

LISTING

Application will be made to Chongwa (Macao) Financial Asset Exchange Co., Ltd. (the "MOX") for the listing of the Bonds by way of debt issues to professional investors (as defined in Section 11 of the Provision and Distribution of Financial Products (Circular 033/B/2010-DSB/~AMCM) and in Section 2.1.6 of the Guideline on the Issuance of Bonds (Circular no. 009/B/2019-DSB/AMCM)) (the "MOX Professional Investors") only. A confirmation of eligibility for listing of the Bonds has been received from the MOX. Listing will take effect upon issuance of the Bonds, which is expected to be on or around 28 June 2024.

DEFINITIONS

"Board"	the board of Directors
"Bonds"	CNY1,500,000,000 5.4% guaranteed bonds due 2027 to be issued by the Issuer and guaranteed by the Company
"Bonds Issue"	the issue of the Bonds by the Issuer
"Closing Date"	27 June 2024
"CNY"	Chinese Yuan, the lawful currency of the People's Republic of China
"Company"	Beijing Properties (Holdings) Limited (北京建設(控股)有限公司), a company incorporated with limited liability in Bermuda, the shares of which are listed on the main board of the Stock Exchange
"Conditions"	the terms and conditions of the Bonds
"connected person"	has the meaning ascribed to it under the Listing Rules
"Directors"	the directors of the Company
"Enforcement Proceedings Threshold Amount"	has the meaning given to it under the sub-section headed "Events of Default" in this announcement

“Group”	the Issuer, the Company and its subsidiaries or affiliates
“Guarantee”	the guarantee to be given by the Company with respect to the Issuer’s obligations under the Bonds
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issuer”	BPHL Capital Management Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company
“Joint Lead Managers”	Haitong International Securities Company Limited, ABCI Capital Limited, BOCOM International Securities Limited, CEB International Capital Corporation Limited, China CITIC Bank International Limited, China Galaxy International Securities (Hong Kong) Co., Limited, China Industrial Securities International Brokerage Limited, China International Capital Corporation Hong Kong Securities Limited, China Securities (International) Corporate Finance Company Limited, CLSA Limited, CMBC Securities Company Limited, CNCB (Hong Kong) Capital Limited, GF Securities (Hong Kong) Brokerage Limited, Guotai Junan Securities (Hong Kong) Limited, Industrial Bank Co., Ltd. Hong Kong Branch, SunRiver International Securities Group Limited and Zhongtai International Securities Limited
“Judgment Threshold Amount”	has the meaning given to it under the sub-section headed “Events of Default” in this announcement
“Keepwell and Liquidity Support Deed”	the keepwell and liquidity support deed to be entered on or about 27 June 2024 as described in the section headed “THE KEEPWELL AND LIQUIDITY SUPPORT DEED” in this announcement
“Keepwell Provider”	Beijing Enterprise Group Company Limited (北京控股集團有限公司), a company established with limited liability under the laws of the PRC
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“MOX”	has the meaning given to it under the sub-section headed “Listing” in this announcement

“MOX Professional Investors”	has the meaning given to it under the sub-section headed “Listing” in this announcement
“PRC”	the People’s Republic of China, which for the purposes of this announcement, shall not include Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Resettlement Arrangements”	has the meaning given to it under the sub-section headed “Events of Default” in this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the Subscription Agreement dated 20 June 2024 entered into between the Issuer, the Company and the Joint Lead Managers
“Subsidiary”	means, in relation to the Issuer, the Company, the Keepwell Provider or any other entity, any company (i) in which the Issuer, the Company, the Keepwell Provider or such entity (as the case may be) holds a majority of the voting rights or (ii) of which the Issuer, the Company, the Keepwell Provider or such entity (as the case may be) is a member and has the right to appoint or remove a majority of the board of directors or (iii) of which the Issuer, the Company, the Keepwell Provider or such entity (as the case may be) is a member and controls a majority of the voting rights, and includes any company which is a Subsidiary of a Subsidiary of the Issuer, the Company, the Keepwell Provider or such entity (as the case may be)
“Trustee”	China Construction Bank (Asia) Corporation Limited as trustee for the holders of the Bonds
“United States”	the United States of America
“U.S. Securities Act”	the United States Securities Act of 1933, as amended from time to time
“U.S.\$”	U.S. dollar, the lawful currency of the United States of America

“%”

per cent

By Order of the Board
Beijing Properties (Holdings) Limited
Cheng Ching Fu
Company Secretary

Hong Kong, 21 June 2024

As at the date of this announcement, Mr. Zhu Yingying, Mr. Xu Zhigang, Mr. Siu Kin Wai, Mr. Dong Qilin and Mr. Cheng Ching Fu are the executive Directors; and Mr. Goh Gen Cheung, Mr. James Chan and Mr. Xie Ming are the independent non-executive Directors.