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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Beijing Capital Juda Limited, you should at once hand this circular to the purchaser or transferee, or to the bank, stockbroker or other agent through which the sale or transfer was effected for transmission to the purchaser or transferee.

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**MAJOR ACQUISITION**  
**ACQUISITION OF LAND USE RIGHTS**  
**IN HEFEI, THE PRC**

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Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” in this circular.

A letter from the Board is set out on pages 4 to 9 of this circular.

13 September 2016

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## DEFINITIONS

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*In this circular, the following expressions shall have the following meanings unless the context otherwise required:*

|                  |                                                                                                                                                                                                                                                                                                                                                                              |
|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Acquisition”    | the acquisition of land use rights of the Land through public bidding process at the Auction                                                                                                                                                                                                                                                                                 |
| “Agreement”      | the agreement entered into between Shanghai Juke, Capital Juda Operation and Anke Xinchuang on 12 August 2016 in connection with the Auction and the Acquisition of the Land                                                                                                                                                                                                 |
| “Anke Xinchuang” | Anhui Anke Xinchuang Technology Investment Services Limited* (安徽安科新創科技投資服務有限公司), a company incorporated in the PRC with limited liability                                                                                                                                                                                                                                    |
| “Articles”       | the articles of association of the Company adopted on 14 March 2012, as may be amended from time to time                                                                                                                                                                                                                                                                     |
| “Auction”        | the public auction held by the Land Resources Bureau of Hefei at which the Land was offered for sale                                                                                                                                                                                                                                                                         |
| “BCG”            | BCG Chinastar International Investment Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of Capital Group and a connected person of BCL under Rule 14A.07 of the Listing Rules                                                                                                                                                  |
| “BCL”            | Beijing Capital Land Ltd., a joint stock company incorporated in the PRC with limited liability on 5 December 2002, whose H shares are listed on the Main Board of the Stock Exchange (Stock Code: 2868), a connected person of the Company under Rule 14A.07 of the Listing Rules                                                                                           |
| “BECL”           | BECL Investment Holding Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of BCL and a connected person of the Company under Rule 14A.07 of the Listing Rules                                                                                                                                                                   |
| “Board”          | the board of Directors                                                                                                                                                                                                                                                                                                                                                       |
| “Capital Group”  | Beijing Capital Group Co., Ltd.* (北京首都創業集團有限公司), a state-owned enterprise incorporated in the PRC on 26 October 1994 and under the direct supervision of the State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality and a connected person of BCL and the Company, respectively, under Rule 14A.07 of the Listing Rules |

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## DEFINITIONS

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|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Capital Juda Operation”                | Capital Juda Operation Limited (首創鉅大營運有限公司), a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of the Company                                                                                                                                                                          |
| “Class A Convertible Preference Shares” | the 738,130,482 Class A limited-voting non-redeemable convertible preference shares of par value HK\$0.01 each in issue in the share capital of the Company                                                                                                                                                                |
| “Class B Convertible Preference Shares” | the 905,951,470 Class B limited-voting non-redeemable convertible preference shares of par value HK\$0.01 each in the share capital of the Company                                                                                                                                                                         |
| “Company”                               | Beijing Capital Juda Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1329)                                                                                                                               |
| “Confirmation Letter”                   | the confirmation letter of land transaction by auction* (掛牌地塊成交確認書) entered into between Shanghai Juque, Capital Juda Operation, Anke Xinchuang and the Land Resources Bureau of Hefei confirming the Acquisition at the Auction on 12 August 2016                                                                         |
| “Consideration”                         | approximately RMB293,727,000, being the price for the grant of the land use rights of the Land                                                                                                                                                                                                                             |
| “Directors”                             | the directors of the Company                                                                                                                                                                                                                                                                                               |
| “Enlarged Group”                        | the Group and the group of companies to be acquired pursuant to the transaction which particulars are set out in the circular of the Company dated 30 June 2016                                                                                                                                                            |
| “Group”                                 | the Company and its subsidiaries                                                                                                                                                                                                                                                                                           |
| “HK\$”                                  | Hong Kong dollar, the lawful currency of Hong Kong                                                                                                                                                                                                                                                                         |
| “Hong Kong”                             | the Hong Kong Special Administrative Region of the PRC                                                                                                                                                                                                                                                                     |
| “Independent Third Party”               | independent third party not connected with the Company and its connected persons, having the meaning ascribed to such term in the Listing Rules                                                                                                                                                                            |
| “Land”                                  | a piece of land located at approximately 70 meters North East of the cross section of Zhengzhou Street and Zhujiang Road, Binhu New District, Hefei City, Anhui Province, the PRC* (中國安徽省合肥市濱湖新區徽州大道和珠江路交口東北側約70米處) with a total site area of approximately 93,247 square meters which was offered for sale at the Auction |
| “Land Resources Bureau of Hefei”        | Land Resources Bureau of Hefei* (合肥市國土資源局)                                                                                                                                                                                                                                                                                 |

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## DEFINITIONS

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|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Land Use Rights Grant Contract” | the land use rights grant contract* (國有建設用地使用權出讓合同) entered into between Shanghai Juque, Capital Juda Operation, Anke Xinchuang and the Land Resources Bureau of Hefei in respect of the Land on 26 August 2016 and any supplemental agreement thereof |
| “Latest Practicable Date”        | 12 September 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular                                                                                                      |
| “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, which shall, for the purposes of this circular, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan                                                                                       |
| “PRC Governmental Body”          | has the meaning ascribed to it under the Listing Rules                                                                                                                                                                                                 |
| “PRC law”                        | has the meaning ascribed to it under the Listing Rules                                                                                                                                                                                                 |
| “RMB”                            | Renminbi, the lawful currency of the PRC                                                                                                                                                                                                               |
| “SFO”                            | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)                                                                                                                                                                            |
| “Shanghai Juque”                 | Shanghai Juque Investment Management Co., Ltd.* (上海鉅譽投資管理有限公司), a company incorporated in the PRC with limited liability, a wholly-owned subsidiary of the Company                                                                                     |
| “Shares”                         | the ordinary shares of the Company                                                                                                                                                                                                                     |
| “Shareholders”                   | holders of the Shares                                                                                                                                                                                                                                  |
| “Stock Exchange”                 | The Stock Exchange of Hong Kong Limited                                                                                                                                                                                                                |
| “%”                              | per cent.                                                                                                                                                                                                                                              |

*The shareholding of the respective Shareholder in the Company as disclosed in this circular refers to the percentage shareholding of such Shareholder to the issued share capital of the Company, without taking into account the non-redeemable convertible preference shares issued by the Company or the potential effect on the shareholding upon conversion of the non-redeemable convertible preference shares, unless otherwise stated.*

*In this circular, unless the context otherwise requires, the terms “close associate(s)”, “connected person(s)”, “controlling shareholder(s)”, “percentage ratios”, “subsidiary(ies)” and “substantial shareholder(s)” shall have the meanings given to such terms in the Listing Rules, as modified by the Stock Exchange from time to time.*

*The English names of Chinese entities marked with “\*” are translations of their Chinese names and are included in this circular for identification purpose only, and should not be regarded as their official English translation. In the event of any inconsistency, the Chinese name prevails.*

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## LETTER FROM THE BOARD

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**CAPITAL JUDA**  
**BEIJING CAPITAL JUDA LIMITED**  
**首創鉅大有限公司**  
*(incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 1329)**

*Executive Directors:*

Mr. TANG Jun (*Chairman*)  
Mr. ZHONG Beichen (*Chief Executive Officer*)

*Non-executive Directors:*

Mr. WANG Hao  
Mr. LI Songping

*Independent non-executive Directors:*

Dr. NGAI Wai Fung  
Ms. ZHAO Yuhong  
Mr. HE Xiaofeng

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

*Principal place of business in Hong Kong:*

Suites 2906-08  
AIA Central  
1 Connaught Road Central  
Hong Kong

13 September 2016

*To the Shareholders and holders of convertible preference shares (for information only)*

*Dear Sir or Madam,*

**MAJOR ACQUISITION**  
**ACQUISITION OF LAND USE RIGHTS**  
**IN HEFEI, THE PRC**

**I. INTRODUCTION**

The Board is pleased to announce that on 12 August 2016, Shanghai Juque (a wholly-owned subsidiary of the Company), Capital Juda Operation (a wholly-owned subsidiary of the Company) and Anke Xinchuang (an Independent Third Party), have together successfully bid for the land use rights of the Land offered for sale by the Land Resources Bureau of Hefei at the Auction for approximately RMB293,727,000. The Confirmation Letter has been issued by the Land Resources Bureau of Hefei to Shanghai Juque, Capital Juda Operation and Anke Xinchuang on 12 August 2016 and the Land Use Rights Grant Contract in relation to the Acquisition was entered into between Shanghai Juque, Capital Juda Operation, Anke Xinchuang and the Land Resources Bureau of Hefei on 26 August 2016. A sum of RMB60,000,000 has been paid as the security deposit for the Auction.

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## LETTER FROM THE BOARD

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Shanghai Juke, Capital Juda Operation and Anke Xinchuang have also entered into an Agreement, pursuant to which, among others, (a) Shanghai Juke and Capital Juda Operation shall establish a project company for acquiring parcel A of the Land, such interest will be held by Shanghai Juke and Capital Juda Operation as to 60% and 40%, respectively; (b) Anke Xinchuang shall establish a project company for acquiring parcel B of the Land, such interest will be wholly-owned by Anke Xinchuang; (c) the parties shall commit to the Consideration based on the site area of the respective parcels of Land on a pro-rata basis, namely Shanghai Juke and Capital Juda Operation shall commit approximately RMB276,927,000 and Anke Xinchuang shall commit approximately RMB16,800,000; and (d) in connection with (c) above, the parties shall commit to the security deposit for the Auction, which will be used to set off part of the payment of the Consideration, based on the site area of the respective parcels of Land on a pro-rata basis, namely Shanghai Juke and Capital Juda Operation shall commit approximately RMB56,568,200 and Anke Xinchuang shall commit approximately RMB3,431,800. The Agreement shall be effective until the date of signing of the Land Use Rights Grant Contract in relation to the Acquisition.

The purpose of this circular is to provide you with, among other things, further details of the Acquisition and such other information as required under the Listing Rules.

### II. THE CONFIRMATION LETTER

|                               |                                                                                                                                                                                                                                           |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date                          | : 12 August 2016                                                                                                                                                                                                                          |
| Parties                       | : (1) Shanghai Juke, a wholly-owned subsidiary of the Company;<br>(2) Capital Juda Operation, a wholly-owned subsidiary of the Company;<br>(3) Anke Xinchuang, an Independent Third Party; and<br>(4) the Land Resources Bureau of Hefei. |
| Code of the Land              | : BH2016-04                                                                                                                                                                                                                               |
| Location of the Land          | : approximately 70 meters North East of the cross section of Zhengzhou Street and Zhujiang Road, Binhu New District, Hefei City, Anhui Province, the PRC* (中國安徽省合肥市濱湖新區徽州大道和珠江路口東北側約70米處)                                                 |
| Total site area               | : approximately 93,247 square meters, of which parcel A of the Land comprises approximately 87,913 square meters and parcel B of the Land comprises approximately 5,333 square meters                                                     |
| Nature of the land use rights | : commercial use                                                                                                                                                                                                                          |
| Term of the land use rights   | : 40 years                                                                                                                                                                                                                                |

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## LETTER FROM THE BOARD

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Consideration : approximately RMB293,727,000, which was arrived at after bidding at the Auction held by the Land Resources Bureau of Hefei. A sum of RMB60,000,000 has been as the security deposit for the Auction, of which approximately RMB56,568,200 has been paid by Shanghai Juque and Capital Juda Operation and approximately RMB3,431,800 has been paid by Anke Xinchuang pursuant to the Agreement. The details of the payment terms of the Consideration are set out in the Land Use Rights Grant Contract.

### III. MAJOR TERMS OF THE LAND USE RIGHTS GRANT CONTRACT

Date : 26 August 2016

Parties : (1) the Land Resources Bureau of Hefei (as Transferor)  
(2) Shanghai Juque, Capital Juda Operation and Anke Xinchuang (as Transferees)

Maximum gross floor area for parcel A of the Land : Approximately 96,705 square meters

Maximum gross floor area for parcel B of the Land : Approximately 21,333.32 square meters

Payment terms of the Consideration : (1) RMB146,858,655 (around 50% of the Consideration is payable prior to 25 September 2016 (the security deposit of RMB60,000,000 which has already been paid would be used to set off part of the payment)  
(2) the remaining amount of the Consideration is payable prior to 25 February 2017

Commencement of construction : On or before 26 December 2016

Completion of construction : On or before 26 December 2018

Conditions of the land use right : (a) The plot ratio of parcel A of the Land shall be no less than 1.0 and no more than 1.1 and the plot ratio of parcel B of the Land shall be no more than 4.0; and  
(b) The building density of parcel A and parcel B of the Land shall be no more than 50% and 45%, respectively

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## LETTER FROM THE BOARD

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It is currently expected that parcel A of the Land will be used for the development of outlet shops, complimented by inter alia, restaurants and car parking spaces. The planned total construction area for parcel A of the Land will be approximately 96,705 square meters, of which approximately 16% of such area will be planned for car parking spaces and approximately 84% of such area will be planned for outlets shops, restaurants and other commercial use. The outlet shops will be held as investment properties for leasing to retailers offering branded merchandises. The development project for parcel A of the Land is expected to be constructed and completed altogether as a whole, and the outlet shops are expected to start their businesses in late 2018.

### IV. THE AGREEMENT

Shanghai Juke, Capital Juda Operation and Anke Xinchuang have also entered into an Agreement on 12 August 2016, pursuant to which, among others, (a) Shanghai Juke and Capital Juda Operation shall establish a project company for acquiring parcel A of the Land, such interest will be held by Shanghai Juke and Capital Juda Operation as to 60% and 40%, respectively; (b) Anke Xinchuang shall establish a project company for acquiring parcel B of the Land, such interest will be wholly-owned by Anke Xinchuang; (c) the parties shall commit to the Consideration based on the site area of the respective parcels of Land on a pro-rata basis, namely Shanghai Juke and Capital Juda Operation shall commit approximately RMB276,927,000 and Anke Xinchuang shall commit approximately RMB16,800,000; and (d) in connection with (c) above, the parties shall commit to the security deposit for the Auction, which will be used to set off part of the payment of the Consideration, based on the site area of the respective parcels of Land on a pro-rata basis, namely Shanghai Juke and Capital Juda Operation shall commit approximately RMB56,568,200 and Anke Xinchuang shall commit approximately RMB3,431,800. As at the Latest Practicable Date, Anke Xinchuang has paid the relevant portion of the security deposit of approximately RMB3,431,800 and has also transferred the remaining consideration in respect of parcel B of the Land of approximately RMB13,368,200 to the custody of Shanghai Juke, to ensure timely payment of the Consideration to the Land Resources Bureau of Hefei. The Agreement shall be effective until the date of signing of the Land Use Rights Grant Contract in relation to the Acquisition.

The funding requirements for the Acquisition will be satisfied by the internal resources of the Group. Immediately upon the completion of the Acquisition, the Company will indirectly hold the entire interest in parcel A of the Land and Anke Xinchuang will indirectly hold the entire interest in parcel B of the Land, and the parties will separately develop their respective parcels of the Land.

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## LETTER FROM THE BOARD

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### V. REASONS FOR AND BENEFITS OF THE ACQUISITION

Pursuant to the Agreement and the funding arrangement and other transactions thereunder, the Group will acquire parcel A of the Land on a sole basis in substance, by virtue of (a) all requisite commitments in relation to parcel A of the Land will be borne by the Group; (b) all requisite commitments in relation to parcel B of the Land will be borne by Anke Xinchuang; (c) the Company will indirectly hold the entire interest in parcel A of the Land and Anke Xinchuang will indirectly hold the entire interest in parcel B of the Land immediately upon completion of the Acquisition; and (d) the Company and Anke Xinchuang will separately develop their respective parcels of Land. The main reason for the Group to participate in the Auction together with Anke Xinchuang and to enter into the Agreement and the funding arrangements and other transactions thereunder, is to facilitate the Group to specifically acquire parcel A of the Land which will be suitable for development of outlets-backed commercial integrated projects and commercial property projects within the scope of the Group's business, in accordance with the requirements imposed by the Land Resources Bureau of Hefei in relation to the Auction of the Land.

The Group is principally engaged in commercial property development, with focus on the development of outlets-backed commercial integrated projects and commercial property projects in the PRC where the Group is able to conduct its property business as disclosed in the circular of the Company dated 30 June 2016. The Board believes that the Acquisition provides an excellent investment opportunity for the Group to expand its business and add to its existing investment portfolio in Hefei, one of the selected target cities in the PRC.

The Directors consider that the Acquisition is in the interests of the Company and the Shareholders as a whole and the terms thereof are on normal commercial terms, which are fair and reasonable.

### VI. INFORMATION OF THE PARTIES

Both Shanghai Juque and Capital Juda Operation are wholly-owned subsidiaries of the Company and are investment holding companies.

Anke Xinchuang is a company established in the PRC and is primarily engaged in real estate development and sales, property management and leasing of property. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Anke Xinchuang and its ultimate beneficial owners are third parties independent of the Group and its connected persons.

The Land Resources Bureau of Hefei is a PRC Governmental Body and the seller of the Land. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Land Resources Bureau of Hefei and its ultimate beneficial owners are third parties independent of the Group and its connected persons.

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## LETTER FROM THE BOARD

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### VII. FINANCIAL EFFECTS OF THE ACQUISITION OF THE COMPANY

As the Group will finance 100% of the Consideration using its existing internal resources, the total assets of the Group will be increased by approximately RMB276,927,000 and the net cash position will be decreased by approximately RMB276,927,000 accordingly. As such, the total assets and the total liabilities of the Group will not have any material change upon Acquisition. The Company considers that there will not be any material effect on the earnings of the Group immediately upon the Acquisition.

### VIII. LISTING RULES IMPLICATIONS

Since the applicable percentage ratios in respect of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major acquisition under Chapter 14 of the Listing Rules. The Acquisition is regarded as a qualified property acquisition under Rule 14.04(10C) of the Listing Rules as the Acquisition involves an acquisition of governmental land in the PRC from a PRC Governmental Body through an auction governed by PRC law, pursuant to which the Group will acquire parcel A of the Land on a sole basis in substance by virtue of the Agreement and the funding arrangements and other transactions thereunder, which is consistent with the Group's ordinary and usual course of business. The Acquisition is subject to reporting and announcement requirements but is exempt from Shareholders' approval requirements pursuant to Rule 14.33A of the Listing Rules.

### IX. ADDITIONAL INFORMATION

The Directors believe that the terms of the Confirmation Letter and Land Use Rights Grant Contract and the transaction contemplated thereunder are fair and reasonable and are in the interest of the Company and the Shareholders as a whole. None of the Directors have any material interest in the Confirmation Letter or Land Use Rights Grant Contract.

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,  
For and on behalf of the Board  
**Beijing Capital Juda Limited**  
**Tang Jun**  
*Chairman*

**1. CONSOLIDATED FINANCIAL STATEMENTS**

Details of the financial information of the Group for each of the financial years ended 31 March 2013, 31 March 2014, 31 December 2014 and 31 December 2015 and the six months period ended 30 June 2016 are disclosed in the following documents which have been published on both the website of the Stock Exchange (<http://www.hkex.com.hk>) and the website of the Company (<http://www.bcjuda.com>):

- interim report of the Group for the six months period ended 30 June 2016 published on 30 August 2016 (pages 22 to 56)  
(available on: <http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0830/LTN20160830644.pdf>);
- annual report of the Group for the year ended 31 December 2015 published on 24 March 2016 (pages 36 to 102)  
(available on: <http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0324/LTN20160324480.pdf>);
- annual report of the Group for the nine months ended 31 December 2014 published on 23 February 2015 (pages 23 to 81)  
(available on: <http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0223/LTN20150223162.pdf>);
- annual report of the Group for the year ended 31 March 2014 published on 22 May 2014 (pages 24 to 79)  
(available on: <http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0522/LTN20140522336.pdf>); and
- annual report of the Group for the year ended 31 March 2013 published on 24 July 2013 (pages 21 to 76)  
(available on: <http://www.hkexnews.hk/listedco/listconews/SEHK/2013/0724/LTN20130724262.pdf>).

**2. INDEBTEDNESS STATEMENT**

As at the close of business on 31 July 2016, being the latest practicable date for the purpose of ascertaining the indebtedness of the Enlarged Group prior to the printing of this circular, the Enlarged Group had an aggregate outstanding borrowings of approximately RMB2,150,000,000 comprising:

- (a) outstanding bank borrowings of approximately RMB850,000,000 among which RMB790,000,000 were secured by certain land use rights, RMB60,000,000 were secured by certain relevant properties under development; and
- (b) guaranteed notes of approximately RMB1,300,000,000.

As at 31 July 2016, the Enlarged Group provided guarantees amounted to RMB1,503,564,000 to secure repayments obligations of mortgage loan for certain customers.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Enlarged Group did not have at the close of business on 31 July 2016 any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

### **3. WORKING CAPITAL**

The Directors are satisfied after due and careful consideration and taking into account the present internal financial resources available to the Enlarged Group, the banking facilities presently available, the effect of the Acquisition and in the absence of unforeseen circumstances, the Enlarged Group will have sufficient working capital for its present requirements for at least twelve months from the date of this circular.

### **4. MATERIAL ADVERSE CHANGE**

For the six months ended 30 June 2016, the operating profit of the Group was approximately RMB103,482,000, representing a decrease of approximately 65% from RMB295,034,000 for the same period of 2015. The decrease was mainly due to the net effect of (a) the gain on the appreciation of investment properties amounting to RMB68,514,000 for the six months ended 30 June 2016; and (b) the gain on bargain purchase amounting to RMB259,996,000 in relation to the acquisition of 100% equity interest in Xi'an Capital Xin Kai Real Estate Ltd. for the six months ended 30 June 2015, which was not recurring in 2016.

Save as disclosed above, the Directors confirm that, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2015, being the date to which the latest published audited consolidated accounts of the Group were made up.

### **5. FINANCIAL AND TRADING PROSPECTS**

As disclosed in the 2016 interim report of the Company, gross revenue of the Group amounted to RMB170,361,000 for the six months ended 30 June 2016. Gross profit and net profit of the Group amounted to RMB37,997,000 and RMB53,865,000 respectively for the six months ended 30 June 2016. Total assets and total equity amounted to approximately RMB4,887,272,000 and RMB2,039,816,000 million respectively as at 30 June 2016.

Consistent with the strategy of the Group, the Company aims to offer diverse product types in terms of the variety of property-mix and attract brand-name retailers as tenants for its outlets-backed commercial integrated property projects. The Company will continue to enhance its property portfolio by acquiring land and acquiring and developing other outlets-backed commercial integrated projects.

Save and except for the acquisition which particulars are set out in the announcement dated 8 June 2016 and the circular dated 30 June 2016 issued by the Company and acquisitions, disposals and investments in joint ventures by the Group in its ordinary course of business which have not materialised into and/or constituted discloseable inside information of the Company as at the Latest Practicable Date, the Company did not have any intention, negotiation, agreement, arrangement and understanding (concluded or otherwise) about (i) the acquisition of any new business; (ii) any disposal, scaling-down and/or termination of its existing business and/or major operating assets; and (iii) the injection of any new business to the Group.

**1. RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

**2. DISCLOSURE OF INTEREST BY DIRECTORS**

- (a) As at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or was deemed to have under such provisions of the SFO); (ii) required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company and the Stock Exchange.
- (b) As at the Latest Practicable Date, no Directors had any existing or proposed service contracts with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation other than statutory compensation.
- (c) As at the Latest Practicable Date, none of the Directors had direct or indirect material interest in any assets which have been, since 31 December 2015 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by or leased to or by or proposed to be acquired or disposed of by or leased to or by any member of the Enlarged Group.
- (d) There is no contract or arrangement subsisting at the date of this circular in which any of the Directors is materially interested and which is significant in relation to the business of the Enlarged Group.

### 3. SUBSTANTIAL SHAREHOLDERS

So far as it is known to the Directors, as at the Latest Practicable Date, the following persons (not being a Director or chief executive of the Company) had an interest or short position in the Shares or the underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

|                     |                                                      |             | As at the Latest Practicable Date         |                                                |                                                |                                                                                                                                          |                                                  |
|---------------------|------------------------------------------------------|-------------|-------------------------------------------|------------------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| Name of Shareholder | Capacity                                             | Shares      | Approx.<br>% of total<br>issued<br>Shares | Class A<br>Convertible<br>Preference<br>Shares | Class B<br>Convertible<br>Preference<br>Shares | Total<br>interests in<br>Shares,<br>Class A<br>Convertible<br>Preference<br>Shares and<br>Class B<br>Convertible<br>Preference<br>Shares | Approx.<br>% of total<br>issued<br>share capital |
| BCG                 | Beneficial owner                                     | 19,800,000  | 9.9%                                      | –                                              | –                                              | 19,800,000                                                                                                                               | 9.9%                                             |
| BECL                | Beneficial owner                                     | 130,200,000 | 65.1%                                     | 738,130,482                                    | 905,951,470                                    | 1,774,281,952                                                                                                                            | 887.14%                                          |
| BCL                 | Interest of controlled corporation ( <i>Note 1</i> ) | 130,200,000 | 65.1%                                     | 738,130,482                                    | 905,951,470                                    | 1,774,281,952                                                                                                                            | 887.14%                                          |
| Capital Group       | Interest of controlled corporation ( <i>Note 2</i> ) | 150,000,000 | 75%                                       | 738,130,482                                    | 905,951,470                                    | 1,794,081,952                                                                                                                            | 897.04%                                          |

*Notes:*

1. BECL is a wholly-owned subsidiary of BCL. As such, BCL is deemed to be interested in all the Shares, Class A Convertible Preference Shares and Class B Convertible Preference Shares (as the case may be) in which BECL is interested or deemed to be interested by virtue of the SFO.
2. As at the Latest Practicable Date, Capital Group controls approximately 54.47% of the total issued share capital (comprising domestic shares and H shares) of BCL and BCG is a wholly-owned subsidiary of Capital Group. As such, Capital Group is deemed to be interested in all the Shares, Class A Convertible Preference Shares and Class B Convertible Preference Shares (as the case may be) in which BCL and BCG are interested or deemed to be interested by virtue of the SFO.

As shown in the table above, BCL, BECL and Capital Group are companies which interests fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO. Mr. Tang Jun is the President and executive director of BCL, and also the director of BECL. Mr. Li Songping is the Chairman and non-executive director of BCL, and also the director of Capital Group, the controlling shareholder of BCL.

#### 4. MATERIAL CONTRACTS

The Enlarged Group has entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this circular which is or may be material:

- (a) the non-competition deed dated 13 November 2014 and executed by each of BCL and the Company mutually in favour of each other, incidental to the purchase of the 100% of the equity interest of Xi'an Capital Xin Kai Real Estate Ltd. held by Asian Expert Limited as contemplated under the equity transfer agreement dated 15 August 2014 entered into between Far Reaching Company Limited and Asian Expert Limited (the “**Non-Competition Deed**”);
- (b) the sponsor agreement dated 25 November 2014 entered into among inter alia, the Company, Asian Expert Limited and the HSBC Corporate Finance (Hong Kong) Limited in relation to their rights and obligations in connection with the new listing application of the Company;
- (c) the sale and purchase agreement dated 3 December 2014 entered into between Leadwin Asia Group Limited and Shengfa Limited for the sale and purchase of the all the issued shares of Cheng Wang Limited and the non-interest bearing shareholder's loan outstanding and owed by Cheng Wang Limited to Shengfa Limited;
- (d) the subscription agreement dated 23 July 2015 entered into between Rosy Capital Global Limited, the Company and BCG, The Hongkong and Shanghai Banking Corporation Limited, DBS Bank Ltd., Bank of China (Hong Kong) Limited, China Construction Bank Corporation, Singapore Branch and ABCI Capital Limited in connection with the proposed international offering of RMB1,300 million guaranteed notes at the rate of 5.25% per annum with maturity date on 30 July 2018;
- (e) the acquisition agreement dated 8 June 2016 entered into between Shanghai Juque Investment Management Co. Ltd., Shanghai Juxin Enterprise Management Consultation Co., Ltd. and BCL in relation to the transfer of the entire issued share capital of Beijing Chuangxin Jianye Real Estate Investment Ltd.\* (北京創新建業地產投資有限公司) at a consideration of RMB701,573,886;
- (f) the acquisition agreement dated 8 June 2016 entered into between Capital Juda Outlets Resources Limited and Renowned Brand Outlet Store Enterprise Limited in relation to the acquisition of the entire issued share capital of Zhejiang Outlets Property Real Estate Co., Ltd.\* (浙江奧特萊斯置業有限公司) at a consideration of RMB472,957,000;

- (g) the shareholder loan transfer agreement dated 8 June 2016 entered into among Shanghai Juque Investment Management Co., Ltd., BCL and Beijing Chuangxin Jianye Real Estate Investment Ltd.\* (北京創新建業地產投資有限公司) in relation to transfer of the shareholder loan outstanding and owing by Beijing Chuangxin Jianye Real Estate Investment Ltd.\* (北京創新建業地產投資有限公司) to BCL at a consideration of RMB1,197,796,182;
- (h) the subscription agreement dated 8 June 2016 entered into between BECL and the Company in relation to the subscription by BECL of 905,951,470 convertible preference shares at an issue price of HK\$2.78 per convertible preference shares which will be issued by the Company at a consideration of HK\$2,518,545,086; and
- (i) the amended non-competition deed dated 8 June 2016 entered into between the Company and BCL replacing the Non-Competition Deed (the “Amended Non-Competition Deed”).

## 5. LITIGATION AND CLAIMS

At as the Latest Practicable Date, the Enlarged Group is not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened by or against the Enlarged Group.

## 6. DIRECTORS’ INTERESTS IN COMPETING BUSINESS

The following Directors are also directors and/or officers of BCL as set out in the table below.

| <b>Name of Director</b> | <b>Position held in BCL</b>         |
|-------------------------|-------------------------------------|
| Li Songping             | Chairman and non-executive director |
| Tang Jun                | President and executive director    |

BCL is a large integrated leading real estate developer in the PRC, focusing on residential properties, outlets-backed integrated properties, urban core integrated complexes and primary land development. By coordination of integrated complexes and each line of business, the Company aims at building the core competitiveness and achieving competition differentiation.

On 13 November 2014, the Company has entered into the Non-Competition Deed with BCL, pursuant to which BCL has undertaken that it would not engage in property business in any selected cities in the PRC (details of which are disclosed in the circular of the Company dated 26 November 2014). On 8 June 2016, the Company has entered into the Amended Non-Competition Deed with BCL, replacing the Non-Competition Deed (details of which are disclosed in the circular of the Company dated 30 June 2016). Accordingly, as at the Latest Practicable Date, none of the Directors or their respective close associates had an interest in any business which competes or is likely to compete with the business of the Group.

**7. GENERAL**

The English text of this circular shall prevail over the Chinese text in case of inconsistency.

The company secretary is Mr. Lee Sze Wai, who is a member of the Hong Kong Institute of Certified Public Accountants.

The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its principal place of business of the Company in Hong Kong is at Suites 2906-08, AIA Central, 1 Connaught Road Central, Hong Kong. The transfer office of the Company is Tricor Investor Services Limited, Level 22 Hopewell Centre, 183 Queen's Road East, Hong Kong.

**8. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal business hours at the place of business of the Company in Hong Kong unless (i) a tropic cyclone warning signal number 8 or above is hoisted, or (ii) a black rainstorm warning signal is issued, except public holidays, for a period of 14 days from the date of this circular:

- (i) the Articles;
- (ii) the letter from the Board, the text of which is set out in the section headed "Letter from the Board" in the circular;
- (iii) the annual reports of the Company for the two years ended 31 March 2013, 31 March 2014, nine months ended 31 December 2014, and for the year ended 31 December 2015;
- (iv) a copy of each of the material contracts referred to in the paragraph headed "Material Contracts" in this appendix;
- (v) the circulars of the Company dated 15 March 2016, 30 June 2016 and 9 August 2016; and
- (vi) this circular.