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 **首創置業股份有限公司**
BEIJING CAPITAL LAND LTD.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2868)

JUDA INTERNATIONAL HOLDINGS LIMITED
鉅大國際控股有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1329)

JOINT ANNOUNCEMENT

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MAJOR TRANSACTION

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Financial Adviser to
Juda International Holdings Limited

HSBC 

The Hongkong and
Shanghai Banking Corporation Limited

Independent Financial Adviser to
the Independent Board Committee and to
the Independent Shareholders of
Juda International Holdings Limited
Altus Capital Limited

BCL ACQUISITION

The Board has been informed that, on 15 August 2014, Asian Expert (as the purchaser), an indirect wholly-owned subsidiary of BCL, and Reco Ziyang (as the seller), a connected person of BCL, entered into the Reco Ziyang Transfer Agreement for the transfer of 60% equity interest in the Target Company on the terms and subject to the conditions therein. Upon completion of the BCL Acquisition, Asian Expert will become the sole owner of the Target Company. The Target Company holds a real estate development project in Xi'an city, the PRC.

THE ACQUISITION AND THE ISSUE OF THE CPS

On the same day, Far Reaching (as the purchaser), an indirect wholly-owned subsidiary of the Company, and Asian Expert (as the seller), an indirect wholly-owned subsidiary of BCL, entered into the Acquisition Agreement for the transfer of 100% equity interest in the Target Company i.e. the Transfer Interest, which is conditional and subject to inter alia, the completion of the BCL Acquisition. Upon Completion, the Target Company and its subsidiary will become wholly-owned by Far Reaching.

The consideration payable for the Acquisition is approximately HK\$1,963.4 million. For funding and settlement of the consideration, on 15 August 2014, Get Thrive (as the subscriber), a wholly-owned subsidiary of BCL, and the Company (as the issuer) entered into the Subscription Agreement, pursuant to which Get Thrive will subscribe for and the Company will issue 738,130,482 CPS on the terms and conditions set out in the Subscription Agreement at an issue price of HK\$2.66 per CPS. All proceeds arising from the issue of the CPS will be used to settle the consideration payable for the Acquisition.

CHANGE IN PRINCIPAL BUSINESS ACTIVITIES

Upon Completion, there will be a change in the principal business and operations of the Company from its existing business of production of chemicals to property development, which will be the focus and main revenue driver of the Company going forward. The Company will seek options to downsize or dispose of the existing chemical business and focus on the development of outlets-backed integrated property projects and commercial property projects after Completion. The Acquisition is the first step taken by the Company in its expansion into the real estate industry in the PRC and it targets to further expand into selected Target Cities for future development.

DELINEATION BETWEEN THE ENLARGED GROUP AND BCL GROUP

After Completion, the Enlarged Group will focus on developing outlets-backed integrated property projects and commercial property projects in the PRC. BCL Group will continue to engage in the development of residential property projects, commercial property projects and outlets-backed integrated property projects after Completion.

The businesses of the Enlarged Group and BCL Group can be clearly delineated by geographical delineation. After Completion, the Enlarged Group will conduct its business only in 17 Target Cities in the PRC and BCL Group will conduct its business in non-Target Cities in the PRC. The Target Cities are selected based on criteria including locations, scale and nature of the cities, growth potentials and accessibility. To implement the geographical delineation arrangement, the Company and BCL will enter into a mutual Non-Competition Deed, which will be conditional upon Completion and subject to a half-yearly review. The businesses of the Enlarged Group and BCL Group are also delineated based on business positioning set out in this joint announcement.

The Directors consider that, based on the geographical delineation and business positioning delineation, and the entering into of the Non-Competition Deed by BCL and the Company, further details of which are set out in this joint announcement, the businesses of the Enlarged Group and BCL Group can be sufficiently delineated.

IMPLICATIONS OF THE ACQUISITION AND THE ISSUE OF THE CPS UNDER THE LISTING RULES FOR THE COMPANY

The Acquisition constitutes:

- (a) a very substantial acquisition for the Company under Chapter 14 of the Listing Rules as the applicable percentage ratios are over 100% for the Company in relation to the Acquisition;
- (b) a connected transaction of the Company under Chapter 14A of the Listing Rules, as Asian Expert, the seller of the Transfer Interest, is a connected person of the Company by virtue of being a subsidiary of BCL (the controlling shareholder and a connected person of the Company); and
- (c) a reverse takeover of the Company under Rule 14.06(6)(b) of the Listing Rules on the basis that the Acquisition (i) constitutes a very substantial acquisition for the Company under Chapter 14 of the Listing Rules and (ii) involves acquisition of assets from Asian Expert (which is an associate of Get Thrive) within 24 months of Get Thrive gaining control (as defined in the Takeovers Code) of the Company,

and accordingly, the Acquisition is subject to the approval of the Independent Shareholders at the EGM.

In addition, as the Acquisition constitutes a reverse takeover of the Company, the Company is being treated as if it were a new listing applicant under Rule 14.54 of the Listing Rules. The Acquisition is therefore also subject to the approval of the Listing Committee of a new listing application to be made by the Company in due course. Such new listing application is required to comply with all the requirements under the Listing Rules, in particular the requirements under Chapters 8 and 9 of the Listing Rules. Upon completion of the BCL Acquisition, there will be a technical change in the ownership and control of the Target Company in respect of 60% of its equity interest, i.e. the Reco Ziyang Interest, as a result of the transfer by Reco Ziyang to Asian Expert. The Company has applied for and the Listing Committee has granted a waiver from strict compliance with Rule 8.05(1)(c) of the Listing Rules in connection with the Company's listing application.

The issue of the CPS constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules as Get Thrive, the subscriber of the CPS is a controlling shareholder and connected person of the Company. As the applicable percentage ratios exceed 5%, the issue of the CPS is subject to the approval of the Independent Shareholders at the EGM.

IMPLICATIONS OF THE DISPOSAL AND THE SUBSCRIPTION UNDER THE LISTING RULES FOR BCL

The transfer of the Transfer Interest to Far Reaching constitutes a disposal by BCL. As the applicable percentage ratios exceed 25% but are less than 75%, the Disposal constitutes a major transaction for BCL and accordingly, it is subject to the approval of the shareholders of BCL at the extraordinary general meeting of BCL.

In relation to the Subscription by BCL, as the applicable percentage ratios exceed 25% but are less than 100%, the Subscription constitutes a major transaction for BCL and is subject to the approval of the shareholders of BCL at the extraordinary general meeting of BCL.

WARNING

The Acquisition and the issue of the CPS are subject to a number of conditions including approvals by the shareholders of the Company and BCL respectively, which may or may not be fulfilled. In addition, the Listing Committee's approval of the new listing application to be made by the Company may or may not be granted. In the event that the approval of the new listing application is not granted by the Listing Committee, the Acquisition Agreement and the Subscription Agreement will not become unconditional and the Acquisition (or the Disposal, in the case of BCL) and the issue (or the subscription, in the case of BCL) of the CPS will not proceed.

THE SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY AND BCL SHOULD EXERCISE CAUTION WHEN DEALING OR CONTEMPLATING IN DEALING IN THE SHARES AND THE BCL SHARES, RESPECTIVELY, OR IN ANY OTHER SECURITIES OF THE COMPANY AND BCL (AS THE CASE MAY BE).

INTRODUCTION

The Board has been informed by BCL that on 15 August 2014, Asian Expert (as the purchaser), an indirect wholly-owned subsidiary of BCL, and Reco Ziyang (as the seller), a connected person of BCL, entered into the Reco Ziyang Transfer Agreement for the transfer of 60% equity interest in the Target Company on the terms and subject to the conditions therein. Upon completion of the BCL Acquisition, Asian Expert will become the sole owner of the Target Company. Reference is made to the announcement of BCL published on the same date of this announcement regarding the BCL Acquisition.

The board of directors of the Company and BCL are pleased to jointly announce that also on 15 August 2014, Far Reaching (as the purchaser), an indirect wholly-owned subsidiary of the Company, and Asian Expert (as the seller), an indirect wholly-owned subsidiary of BCL, entered into the Acquisition Agreement, pursuant to which, subject to the completion of the BCL Acquisition, Far Reaching has conditionally agreed to acquire and Asian Expert has conditionally agreed to sell, the Transfer Interest, representing 100% of the equity interest in the Target Company, on the terms and subject to the conditions set out in the Acquisition Agreement. The Target Company holds the entire interest in the Xi'an Project. Upon Completion, Far Reaching will become the sole owner of the Target Company which holds the entire interest in Xi'an Project. Please refer to the paragraph headed "Information on the Target Group" in this joint announcement for further details of the Target Group and its property portfolio. For the purpose of funding and settlement of the consideration for the purchase of the Acquisition, on 15 August 2014, Get Thrive (as subscriber) and the Company (as issuer) entered into the Subscription Agreement, pursuant to which Get Thrive conditionally agreed to subscribe for and the Company conditionally agreed to allot and issue the CPS on the terms and conditions set out in the Subscription Agreement.

CHANGE IN PRINCIPAL BUSINESS ACTIVITIES

The Company principally engages in the production of chemicals which are mainly used in the industrial production of plasticisers and polyester resins. The Target Group on the other hand, engages in the development of the Xi'an Project, which is the development, sale and leasing of properties including offices, discounted retail shops, retail space, residential buildings, and car parking spaces. The Acquisition will therefore result in a change in principal business of the Company from the production of chemicals to property development. The Acquisition is the first step taken by the Company in its expansion into the real estate industry in the PRC and it targets to further expand into selected Target Cities for development of future property projects. The chemical business of the Company is not expected to be a meaningful contributor to the operations of the Enlarged Group. The Directors are looking for possibilities of restructuring the chemical business – the Company may downsize or dispose of the chemical business after or subject to Completion as the circumstances may necessitate.

THE ACQUISITION

The Acquisition Agreement

Date

15 August 2014

Parties

Far Reaching (as the purchaser) and Asian Expert (as the seller)

Subject matter

Subject to the completion of the BCL Acquisition, Far Reaching has conditionally agreed to acquire and Asian Expert has conditionally agreed to sell, the Transfer Interest, which represents 100% of the equity interest of the Target Company.

Consideration

The consideration for the Acquisition is approximately HK\$1,963.4 million, which shall be payable at Completion. The consideration for the Acquisition in Renminbi is based on and pro-rata to the consideration of the BCL Acquisition.

Conditions precedent under the Acquisition Agreement

Completion of the Acquisition is conditional upon the satisfaction (or, if applicable, the waiver) of the following conditions precedent:

- (a) completion of the BCL Acquisition having taken place, with Asian Expert having become the sole owner of the Target Company;
- (b) approval having been obtained at an extraordinary general meeting of the Company from the Independent Shareholders for inter alia (i) the Acquisition; (ii) the issue of the CPS; and (iii) the proposed grant of the Specific Mandate; and from the Shareholders for the proposed increase in the authorised share capital of the Company and the creation of CPS;

- (c) all necessary licences, consents, approvals, authorisations, permissions, waivers, notices, orders, exemptions from governmental or regulatory authorities or bodies (including the Stock Exchange and other relevant authorities in the PRC, Hong Kong and the Cayman Islands), and/or other relevant third parties, which are required for the entering into of the Acquisition Agreement by the parties, or Completion having been obtained or made and not having been revoked prior to Completion;
- (d) no relevant governmental, quasi-governmental, statutory or regulatory body, court or agency having granted any order or made any decision that restricts or prohibits the implementation of the transactions contemplated under the Acquisition Agreement;
- (e) approval in principle having been obtained from the Listing Committee for the new listing application by the Company in relation to the Acquisition and not having been revoked or withdrawn;
- (f) the warranties given by Asian Expert in the Acquisition Agreement remaining true and accurate in all material respects and not misleading in any material respect;
- (g) Asian Expert having performed and complied with all agreements, obligations and conditions contained in the Acquisition Agreement that are required to be performed by or complied with it on or before Completion;
- (h) no material adverse change or prospective material adverse change in the business, operations, financial condition or prospects of any of the Target Group Company having occurred after the Track Record Period;
- (i) DTZ having completed the valuation of the properties of the Target Group in accordance with the requirements of the Listing Rules in relation to the Acquisition and issued its report in form and substance satisfactory to the Company;
- (j) Ernst & Young, the auditors and reporting accountants of the Target Group, having completed the audit of and issued an unqualified opinion on the accountants' report of the Target Group in accordance with the requirements of the Listing Rules in relation to the Acquisition;
- (k) the Company having received an opinion issued by JunZeJun Law Offices, the PRC legal adviser of the Company, in respect of the Target Group and the Acquisition in form and substance satisfactory to the Company;
- (l) the simultaneous completion of the issue of the CPS pursuant to the Subscription Agreement on the Completion Date; and
- (m) approval having been obtained at an extraordinary general meeting of BCL from its independent shareholders for inter alia, (i) the Disposal, (ii) the Subscription and (iii) the entering into of the Non-Competition Deed in favour of the Company and its subsidiaries and the execution and delivery of the same by BCL.

The above conditions are expected to be fulfilled (or waived, save and except for conditions (a) to (e), (i), (j), (l) and (m), which cannot be waived) on or before 31 March 2015 (or such later date as the parties to the Acquisition Agreement may agree in writing). If any of the conditions has not been fulfilled or waived by Far Reaching, save and except for conditions (a) to (e), (i), (j), (l) and (m), which cannot be waived on or before 31 March 2015 (or such later date as the parties to the Acquisition Agreement may agree in writing), the Acquisition Agreement shall terminate and no party shall have any claim against any of the others, except in respect of any antecedent breach of the terms thereof. As at the date of this Joint Announcement, none of the above conditions are waived or intended to be waived.

Basis of the Consideration

The Consideration was determined after arm's length negotiation among the parties to the Acquisition Agreement and is based on and pro-rata to the consideration of the BCL Acquisition. The consideration represents a discount of 24.7% to the reassessed net asset value of the Target Group as at 30 June 2014. The reassessed net asset value of the Target Group equals to the sum of (i) the equity attributable to shareholders as at 30 June 2014 based on the unaudited financial statements of the Target Group in an amount of approximately RMB1,236.3 million; (ii) the appreciation of properties attributable to shareholders based on a preliminary appraisal by DTZ as at 30 June 2014 and post adjustment of the estimated amount of the relevant taxes payable by the Target Group in an amount of approximately RMB839.1 million.

The Directors (save and except for the independent non-executive Directors), are of the view that the terms of the Acquisition Agreement, which has been reached after arm's length negotiations among the parties, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The view of the Independent Board Committee will be contained in the Circular.

The directors of BCL are of the view that the terms of the Acquisition Agreement, which has been reached after arm's length negotiations among the parties, are on normal commercial terms, fair and reasonable and in the interests of BCL and its shareholders as a whole.

THE ISSUE OF THE CPS

The Subscription Agreement

Date

15 August 2014

Parties

Get Thrive (as the subscriber) and the Company (as the issuer)

Subject matter

Get Thrive has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 738,130,482 CPS at the Issue Price.

Consideration for the Subscription

The consideration for the Subscription payable by Get Thrive is approximately HK\$1,963.4 million, based on 738,130,482 CPS to be subscribed at the Issue Price, which is equivalent to the Consideration payable by the Company for the Acquisition. All proceeds arising from the issue of the CPS will be used by the Company for purpose of funding and settlement of the Consideration. For the avoidance of doubt, the CPS will be issued in connection with the Subscription and not as consideration shares in settlement of the Consideration payable for the Acquisition.

Conditions precedent under the Subscription Agreement

Completion of the Subscription and issue of the CPS is conditional upon the satisfaction (or if applicable, the waiver) of the following conditions precedent:

- (a) approval having been obtained at an extraordinary general meeting of the Company from the Independent Shareholders for (i) the Subscription Agreement; (ii) the proposed grant of the Specific Mandate and (iii) the proposed increase in the authorised share capital of the Company and creation of the CPS;
- (b) all necessary licences, consents, approvals, authorisations, permissions, waivers, notices, orders, exemptions from and registrations with governmental or regulatory authorities or bodies and/or other relevant third parties which are required for the entering into of the Subscription Agreement by the parties or Completion having been obtained or made and not having been revoked prior to Completion;
- (c) each of the warranties in respect of the Company under the Subscription Agreement remaining true and accurate in all material respects and not misleading in any respect as of the Completion Date;
- (d) approval having been obtained from the Listing Committee for the listing of, and permission to deal in, the Conversion Shares on the Main Board of the Stock Exchange;
- (e) simultaneous completion of the Acquisition pursuant to the Acquisition Agreement on the Completion Date; and
- (f) approval having been obtained at an extraordinary general meeting of BCL from its independent shareholders for inter alia, the Subscription by Get Thrive of the CPS.

Undertakings by the Company

Pursuant to the Subscription Agreement, the Company undertakes to Get Thrive that, without first having obtained consent in writing from Get Thrive, between the date of the Subscription Agreement and the Completion Date, save as pursuant to the terms of the share option scheme of the Company adopted on 14 March 2012 or in connection with the Acquisition and the Subscription Agreement, it shall not:

- (a) allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe any Shares or any interests in Shares or any securities convertible into or exchangeable for any Shares or interests in Shares; or
- (b) agree to enter into or effect any such transaction with the same economic effect as any transactions described in (a) above.

The Company will seek the grant of the Specific Mandate from the Independent Shareholders at the EGM for the purpose of the allotment and issue of the CPS and the Conversion Shares.

The Issue Price

The Issue Price was determined at after arm's length negotiations between the Company and Get Thrive, having regard to, among other things, the closing price of the Shares immediately before the entering into of the Subscription Agreement, the terms and conditions of the Acquisition Agreement and the Subscription Agreement, the quality and size of the properties held by the Target Group and the audited consolidated net asset value per Share of the Company as at 31 March 2014. The Directors (save and except for the independent non-executive Directors whose view will be contained in the Circular) consider that the terms of the Subscription are on normal commercial terms and that such terms and the Issue Price are fair and reasonable and in the interest of the Company and the Shareholders as a whole based on current market conditions.

The directors of BCL consider that the terms of the Subscription are on normal commercial terms and that such terms and the Issue Price are fair and reasonable and in the interest of the BCL and its shareholders as a whole based on current market conditions.

The Issue Price of HK\$2.66 per CPS represents:

- (a) a discount of approximately 20.8% to the closing price of the Shares of HK\$3.36 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 20.1% to the average of the closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day of approximately HK\$3.33 per Share;
- (c) a discount of approximately 19.1% to the average of the closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Trading Day of approximately HK\$3.29 per Share;
- (d) a discount of approximately 12.8% to the average of the closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day of approximately HK\$3.05 per Share;
- (e) a premium of approximately 173.2% over the audited consolidated net asset value per Share of the Company as at 31 March 2014.

COMPLETION OF THE ACQUISITION AND THE ISSUE OF THE CPS

Completion is expected to take place on the second Business Day after all the conditions under the Acquisition Agreement and the Subscription Agreement set out above have either been fulfilled or waived (as the case may be), unless the parties otherwise agree, and the conditions which require simultaneous completion shall be deemed satisfied if all other conditions have been satisfied. The parties currently expect that Completion shall take place on or before 31 March 2015, upon which the Target Company will become wholly-owned by Far Reaching.

Immediately after Completion, the Company will be able to satisfy the minimum public float requirement under Rule 8.08 of the Listing Rules and there will be no change in control of the Company. Get Thrive will remain as the controlling shareholder of the Company under the Listing Rules and the Target Company will become an indirect wholly-owned subsidiary of the Company and its financial results will be consolidated into the financial statements of the Enlarged Group.

INFORMATION ON THE CPS AND THE CONVERSION SHARES

The Conversion Shares

The Conversion Shares to be issued upon conversion of the CPS will be issued as fully paid and will rank pari passu in all respects with the Shares in issue as at the date of conversion.

Application for listing

An application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Conversion Shares.

The CPS

The major terms of the CPS are as follows:

Nominal value: Limited-voting non-redeemable convertible preference shares of HK\$0.01 each to be created as a new class of shares in the share capital of the Company upon Completion

Conversion ratio: The CPS shall be convertible at the option of its holder, without the payment of any additional consideration therefor, into such number of fully-paid Shares at the conversion ratio of one CPS for one Share

Conversion rights: Holders of CPS will have the right to convert all or such number of CPS into Conversion Shares at any time after the issuance of the CPS, provided that they may not exercise the conversion rights as to such number of CPS the conversion of which would result in the Company not meeting the minimum public float requirement under Rule 8.08 of the Listing Rules

Redemption: The CPS shall be non-redeemable by the Company or their holders

Dividend and distribution entitlement: Each CPS shall confer on its holder the right to receive any dividend pari passu with holders of Shares on the basis of the number of Share(s) into which each CPS may be converted and on an as converted basis

The holders of the CPS shall have priority over the Shareholders on the assets and funds of the Company available for distribution in a distribution of assets on liquidation, winding-up or dissolution of the Company (but not on conversion of CPS or any repurchase by the Company of CPS or Shares)

Voting rights: The holders of the CPS shall be entitled to receive notices of and to attend general meetings of the Company, but the CPS shall not confer on their holders the right to vote at a general meeting of the Company, unless a resolution is to be proposed at a general meeting for the winding-up of the Company or a resolution is to be proposed which if passed would vary or abrogate the rights or privileges of the CPS or vary the restrictions to which the CPS are subject

Transferability:	The CPS (including the Conversion Shares once converted from the CPS) may be transferred by their holders without restriction
Ranking:	Save as expressly provided in the Articles and save and except for the voting rights and distribution entitlements upon liquidation, winding-up or dissolution of the Company, each CPS shall have the same rights as each of the Shares. The Conversion Shares will be issued as fully paid and will rank pari passu in all respects with the Shares in issue as at the date of the conversion
Adjustment:	If and whenever the Shares are consolidated or subdivided into a different nominal amount, then the same consolidation or sub-division shall be effected on the CPS, in which the conversion ratio shall remain as one CPS for one Share (as consolidated or sub-divided, as the case may be)
Listing:	No listing will be sought for the CPS on the Stock Exchange or any other stock exchange. However, an application will be made by the Company to the Listing Committee for the listing of, an permission to deal in, the Conversion Shares

Under the terms of the CPS, (i) there is no voting right attached to the CPS, except in respect of resolution(s) for the winding-up of the Company or the abrogation or variation of the rights and restrictions of the CPS; (ii) the CPS would be non-redeemable and each CPS would be convertible to one ordinary Share and (iii) holders are entitled to dividends of the Company, which would be paid on an as-converted basis and accordingly, the CPS shall not be included when calculating the public float of the Company.

REASONS FOR AND BENEFITS OF THE ACQUISITION AND THE ISSUE OF THE CPS FOR THE COMPANY

The Directors consider the Acquisition and the issue of the CPS to be in the interests of the Company as well as the Shareholders taken as a whole for the following reasons:

(a) The Group's existing chemical business is experiencing a substantial decrease in net profit and is not expected to be a meaningful contributor to the operating results of the Enlarged Group going forward

The Group's existing business is in the production of phthalic anhydride (PA) and fumaric acid, which are intermediate chemicals mainly used in the industrial production of plasticisers and polyester resins. For the financial year ended 31 March 2014, the Group recorded a profit after tax of approximately HK\$3.1 million only, representing a substantial decrease of approximately 69.0% as compared to that of the corresponding year ended 31 March 2013.

The Acquisition is accordingly timely for a change in strategies of the Group and developing a new business focus in the real estate industry sector, thereby enhancing growth potential of the Group and creating potential Shareholder value. As the existing chemical business of the Group is not expected to be a meaningful driver of or contributor to the operating results of the Enlarged Group, the Company may review and consider options for restructuring of the business of the Enlarged Group, including downsizing or disposing of the existing chemical business.

(b) The Enlarged Group will become an overseas-incorporated listed platform of BCL focusing on outlets-backed integrated property projects and commercial property projects in certain selected cities in the PRC

Upon Completion, the Enlarged Group will hold the entire interest in the Xi'an Project, which is the first property project to be developed by the Enlarged Group and a first step of expansion into the real estate market in the PRC. The Enlarged Group intends to further acquire land in selected Target Cities in the PRC with strong growth potentials for the development of other outlets-backed integrated property projects and commercial property projects. The Enlarged Group will be transformed into a real estate platform, primarily focusing on the development, sale and leasing of properties in outlets-backed integrated property projects and commercial property projects in selected cities in the PRC.

(c) The Enlarged Group will have a strong capacity to raise funds for its property development business

It is expected that the Target Group and the strong growth potential of the Target Cities for the future development of outlets-backed integrated property projects and commercial property projects by the Enlarged Group will enable the Enlarged Group to obtain equity and debt financing through the Company, which will in turn optimise the debt equity structure of the Enlarged Group, enhance its profitability and facilitate further financing. Furthermore, with BCL as its controlling shareholder and coupled with its strong real estate background, the Directors consider that the Enlarged Group will be in a favourable position to obtain financing on competitive terms from banks and other financial institutions. The Directors believe that the Enlarged Group will have strong capability to raise funds to develop its business so as to create value for its Shareholders.

(d) The Company can minimise the cost of financing through the issue of the CPS

Under the terms of the Acquisition, the consideration is payable fully in cash. The Directors consider that it is in the interest of the Company to fund the Acquisition by way of the issue of the CPS to Get Thrive as it will allow the Company to raise the necessary financing for the Acquisition without the need for additional finance costs, such as interest payments for bank loans.

REASONS FOR AND BENEFITS OF THE DISPOSAL AND SUBSCRIPTION FOR BCL

The directors of BCL consider the Disposal and Subscription to be in the interests of BCL as well as its shareholders taken as a whole for the following reasons:

(a) The provision of an overseas-listed platform needed to give flexibility to raise funds

H-share listed companies are required to obtain regulatory approvals for all equity financings. The Disposal will enable the addition of an overseas-listed real estate platform for the assets and investments of BCL, which is a more efficient non H-share platform needed to give the flexibility to potentially raise financings in equity markets. BCL will be able to capture market windows and opportunities in the capital market in raising necessary funds through the Company in a timely manner.

(b) Unlocking value of real estate assets and enhancing value for shareholders

There are a limited number of PRC commercial-focused real estate developers listed in Hong Kong. Good quality PRC real estate developers with a commercial focus in general are trading at a higher price-earnings multiples and a lower discount to re-valued net asset value (RNAV) than BCL and average residential developers. The directors of BCL believe that to have the Enlarged Group as a separate listed platform focusing on outlets-backed integrated property projects and commercial property projects and its financial results consolidated into BCL Group will help to unlock the hidden value of real estate assets to be injected in the Enlarged Group and to bring embedded value to the shareholders of BCL.

FINANCIAL EFFECT OF THE DISPOSAL FOR BCL

Upon Completion, the Target Company will remain an indirect non wholly-owned subsidiary of BCL and its accounts will be consolidated into the accounts of BCL and the difference between the proceeds from the Disposal and the decrease of the shared net assets of the subsidiary is adjusted to capital surplus (share premium). Accordingly, it is expected that there will be no material gain or loss arising on the Disposal for BCL.

EFFECT OF THE ACQUISITION AND THE ISSUE OF THE CPS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Details of the shareholding structure of the Company as at the date of this joint announcement and immediately after Completion (without taking into account any Shares that may be issued as a result of the exercise of any options granted under the share option scheme adopted by the Company on 14 March 2012) are set out below:

	As at the date of this joint announcement		Immediately after Completion (assuming no CPS has been converted)		Immediately after Completion and assuming all CPS have been converted into Conversion Shares (for illustration only) (Note 2)		
	<i>Number of Shares held</i>	<i>Approximate percentage of total issued Shares</i>	<i>Number of Shares held</i>	<i>Approximate percentage of total issued Share</i>	<i>Number of CPS held (Note 1)</i>	<i>Number of Shares held</i>	<i>Approximate percentage of total issued Shares</i>
Get Thrive	130,200,000	65.1%	130,200,000	65.1%	738,130,482	868,330,482	92.6%
BCG	19,800,000	9.9%	19,800,000	9.9%	–	19,800,000	2.1%
Public	50,000,000	25.0%	50,000,000	25.0%	–	50,000,000	5.3%
Total	<u>200,000,000</u>	<u>100%</u>	<u>200,000,000</u>	<u>100%</u>	<u>738,130,482</u>	<u>938,130,482</u>	<u>100%</u>

Notes:

1. The CPS is convertible into Shares on a conversion ratio of 1:1.
2. This represents the shareholding structure of the Company upon Completion, assuming that all 738,130,482 CPS issued to Get Thrive are converted into Conversion Shares (on a conversion ratio of 1:1). This is for illustration purposes only and does not reflect the actual shareholding structure of the Company upon Completion as the exercise of the conversion rights attaching to the CPS is subject to the Company meeting the minimum public float requirement under Rule 8.08 of the Listing Rules.

INFORMATION ON THE GROUP

The Company was incorporated in the Cayman Islands and the Shares are listed on the Main Board of the Stock Exchange. The Company is an investment holding company and the Group is principally engaged in the production of phthalic anhydride (PA) and fumaric acid, which are intermediate chemicals mainly used in the industrial production of plasticisers and polyester resins. The Company is an indirect non-wholly owned subsidiary of BCL, held as to 65.1% (through Get Thrive, Rueyyuan Holding and Beijing Ruiyuan, which are wholly-owned subsidiaries of BCL) by BCL and 9.9% by BCG, a connected person of BCL. To the best of the knowledge, information and belief of the directors of BCL having made all reasonable enquiry, the Company is a party independent (i.e. not a connected person) of BCL and its connected persons.

The audited net asset value of the Group for the year ended 31 March 2014 is approximately HK\$194.7 million.

For the year ended 31 March 2014, the audited net profit before tax and after tax of the Company is approximately HK\$8.3 million and HK\$3.1 million, respectively. For the year ended 31 March 2013, the audited net profit before tax and after tax of the Company is approximately HK\$17.5 million and HK\$10.1 million, respectively.

Far Reaching was incorporated in Hong Kong and it is an indirect wholly-owned subsidiary of the Company. It is an investment holding company.

Change in control of the Company in 2013

In November 2013, Get Thrive and BCG acquired 56.1% and 9.9% of the then total issued share capital of the Company respectively and Get Thrive made a mandatory general offer for all the Shares (other than the Shares held by its concert parties) in issue at the time. Following completion of the mandatory general offer, there was a change in control of the Company and Get Thrive became the controlling shareholder of the Company. As at the date of this joint announcement, Get Thrive and BCG held 65.1% and 9.9% of the issued share capital of the Company respectively.

INFORMATION ON BCL, GET THRIVE AND ASIAN EXPERT

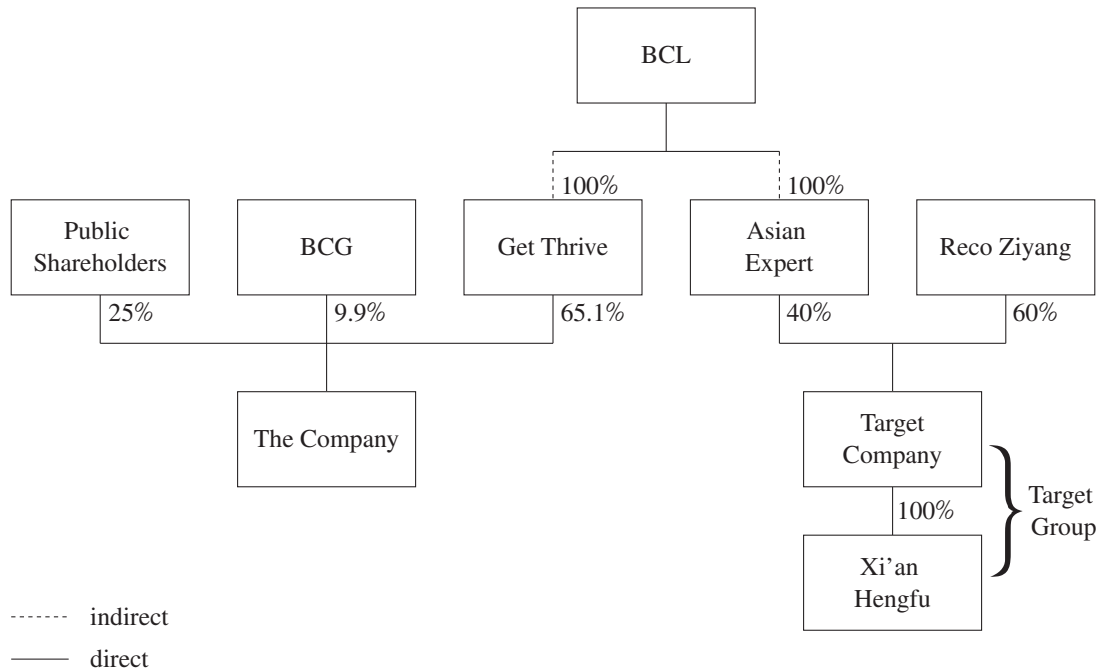
Get Thrive is an investment holding company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of BCL. BCL is a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Stock Exchange (Stock Code: 2868). BCL is a large property developer in the PRC, focusing primarily on developing and investing in commercial properties, outlets-backed integrated properties and medium to high-end residential properties, operation of hotels, property consulting services and investment holding. Get Thrive and BCL are controlling shareholders and connected persons of the Company.

Asian Expert is an investment holding company incorporated in Hong Kong and an indirect wholly-owned subsidiary of BCL. It is a connected person of the Company.

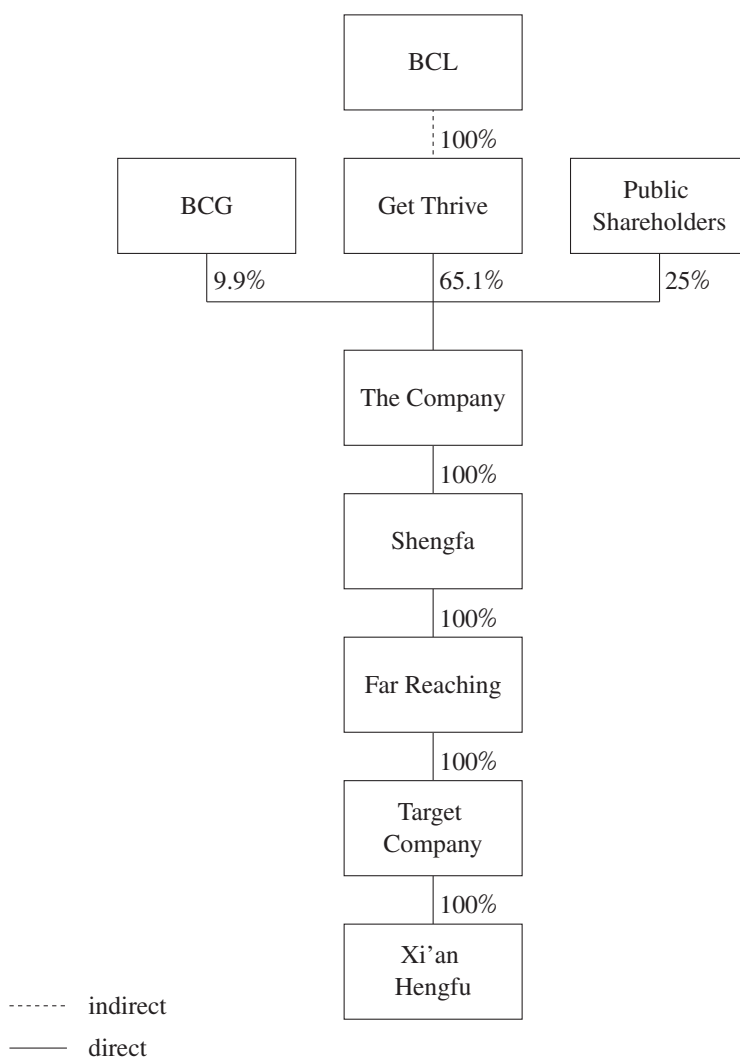
INFORMATION ON THE TARGET GROUP

Corporate structure of the Target Group

The corporate structure of the Target Group and a simplified corporate structure of the Company as at the date of this joint announcement:



A simplified corporate structure of the Company and members of the Enlarged Group immediately after Completion (assuming no CPS has been converted):



Note: the Enlarged Group also consists of three other wholly-owned subsidiaries of Shengfa, being Cheng Wang Limited, Great Top Investment Limited and Nice World Chemical Industry (Xiamen) Co., Ltd. which are directly or indirectly engaged in the chemical business of the Group (the production of phthalic anhydride (PA) and fumaric acid) and are not involved in the Acquisition.

The Target Company was established in December 2007 in the PRC. The original cost of acquisition for Asian Expert of the Target Company is approximately RMB1,444.6 million, being the aggregate of (i) in respect of the 40% equity interest in the Target Company acquired by Asian Expert from another wholly-owned subsidiary of BCL, approximately RMB507 million and (ii) in respect of the 60% equity interest remaining, being the Reco Ziyang Interest, approximately RMB937.6 million under the Reco Ziyang Transfer Agreement.

Business of the Target Group

The Target Group holds one property development project, namely, Xi'an First City in Xi'an, Shaanxi Province in the PRC, which is designed to comprise offices, discounted retail shops, retail space, residential buildings and car parking spaces. The business model of the Target Group is the development, sale and leasing of properties in Xi'an First City. As at 30 June 2014, Xi'an First City occupied a total site area of 355,914 sq.m. and a total saleable GFA of 1,241,791 sq.m. has been completed or is under construction.

Financial information of the Target Group

For each of the three years ended 31 December 2011, 2012 and 2013 and the six months ended 30 June 2014, the unaudited total revenue of the Target Group was approximately RMB1,188.3 million, RMB95.4 million, RMB1,211.4 million and RMB1,045.3 million, respectively. As at 30 June 2014, the Target Group had unaudited net asset value of RMB1,236.3 million.

The unaudited profit before and after tax of the Target Group for the respective periods were as follows:

	For the year ended 31 December			For the six months ended
	2011	2012	2013	30 June
	(RMB'000)	(RMB'000)	(RMB'000)	2014
				(RMB'000)
Profit before tax	276,491	15,111	337,189	261,559
Profit after tax	207,368	11,330	234,478	181,015

PROPERTY VALUATION OF THE TARGET GROUP

As at 30 June 2014, the aggregate appraised market value attributable to the properties of the Target Group was approximately RMB2,671.7 million. The valuation method adopted by DTZ was based on the direct comparison approach by making reference to comparable sale evidences available on the relevant market and also taking into account the pre-sold area and consideration, as well as estimated total and expended construction costs.

DELINEATION BETWEEN THE ENLARGED GROUP AND BCL GROUP

After Completion, Get Thrive and BCL (through its wholly-owned subsidiaries, Beijing Ruiyuan and Rueyyuan Holding) will continue to be the controlling shareholders of the Company, interested in approximately 65.1% of the issued Shares directly and indirectly, respectively. BCL Group is a large property developer in the PRC, focusing primarily on developing and investing in commercial properties, outlets-backed integrated properties and medium to high-end residential properties, operation of hotels, property consulting services and investment holding.

For the year ended 31 December 2013, BCL Group recorded revenue of approximately RMB11,320.8 million and contracted sales of approximately RMB19.6 billion and for the six months ended 30 June 2014, BCL Group recorded revenue of approximately RMB4,519.3 million and contracted sales of approximately RMB6.8 billion. As at 30 June 2014, BCL Group has 52 property development projects in cities around the PRC other than the Target Cities (as defined below), comprising residential projects and integrated residential and commercial complexes. According to the interim results announcement of BCL for the six months ended 30 June 2014, as at 30 June 2014, BCL Group had a total land bank of GFA of approximately 11,173,601 sq.m. and above-the-ground GFA to be sold of approximately 9,218,468 sq.m.. Apart from the Enlarged Group, BCL will, after Completion, continue to hold interests in other property development projects through its other subsidiaries.

After Completion, the Enlarged Group will focus on developing outlets-backed integrated property projects and commercial property projects in the PRC. The Directors consider that, based on the geographical delineation and business positioning delineation, and the entering into of the Non-Competition Deed by BCL and the Company, the details of which are set out below, the businesses of the Enlarged Group and BCL Group can be sufficiently delineated.

Geographical Delineation

The businesses of the Enlarged Group and the BCL Group are clearly delineated based on their geographical locations. After Completion, the Enlarged Group will conduct its business only in 17 selected cities in the PRC – Xi’an, Hangzhou, Nanjing, Jinan, Changsha, Fuzhou, Wuhan, Hefei, Kunming, Zhengzhou, Nanchang, Nanning, Changchun, Harbin, Suzhou, Xiamen and Dalian in the PRC (collectively called, the “**Target Cities**”) and BCL Group will conduct its business in non-Target Cities in the PRC. There is no overlapping city among the Target Cities and the non-Target Cities in which BCL Group will operate in. Such geographical delineation is targeted to ring-fence the operations of the Enlarged Group from any potential operations from the BCL Group.

The Target Cities are carefully selected based on the following criteria:

- Geographical locations. The Target Cities are cities in which BCL Group does not currently have any property development projects or have any current intention to expand into.
- Scale and nature of cities. All Target Cities are second-tier cities in the PRC which are officially classified by the PRC government either as:
 - (i) provincial capital cities (省會城市), such as Xi’an, Hangzhou, Nanjing, Jinan, Changsha, Fuzhou, Wuhan, Hefei, Kunming, Zhengzhou, Nanchang, Nanning, Changchun and Harbin;
 - (ii) prefectural level city (地級市), such as Suzhou; or
 - (iii) state-plan designated cities (計劃單列城市), such as Xiamen and Dalian.
- Economy and growth potentials. All Target Cities are selected for their sizeable regional economies and high growth potentials. The selected Target Cities each has a population of 5 million or above (save for Xiamen which has a population above 3 million) and a local GDP of over RMB200 billion. The population and GDP support demand for future growth of housing, commercial and retail activities and generate a strong purchasing power for consumer products. The Enlarged Group aims to exploit the fast growing potentials and purchasing power possessed by the Target Cities to develop in particular, the outlet shops, offering a cosmopolitan shopping life-style to the affluent population in or around the Target Cities.
- Accessibility. All Target Cities are selected for their accessibility. They are supported with extensive transportation networks such as highways and/or railway, allowing mass transit and convenience of access. Accessibility is important for the development of outlets-backed integrated property projects as it is intended that the outlets shops will be the anchor of the development to attract visitors and shoppers from areas or cities nearby. It is intended that the outlets-backed integrated property projects in each Target City will be able to attract population from surrounding areas which are within one-hour traveling time and the population within an one-hour traveling time radius of each Target City is estimated to be approximately 20 million.

The Directors consider that the geographical delineation set out above is effective in ring-fencing the business of the Enlarged Group from that of the BCL Group. The Target Cities and the non-Target Cities are separated in terms of geographical distance apart, modes of transport by air, rail or road and traveling time in between. Daily commutes, transportation, locations of retail customers and business clients and education are factors which generally deter individuals and businesses to readily relocate from one city to another. The Enlarged Group and BCL Group will operate exclusively in the Target Cities and the non-Target Cities respectively and as such, the Directors believe that the property development business of BCL Group will not pose competition to the Enlarged Group.

Measures to minimise future potential competition between the Enlarged Group and BCL Group

Non-Competition Deed

(1) Non-competition undertaking by BCL not to compete in Target Cities

In order to achieve the geographical segregation between the property development projects of BCL Group and the Enlarged Group and minimise any potential competition arising therefrom, it is expected that BCL and the Company will enter into the Non-Competition Deed. Under the Non-Competition Deed, BCL will undertake in favour of the Company (for itself and on behalf of its subsidiaries) that conditional upon Completion and during the term of the Non-Competition Deed, it shall not, and shall procure that none of its subsidiaries shall (other than through the Enlarged Group), directly or indirectly, carry on, engage, invest, participate or otherwise be interested in any development, sale, lease and management of any property projects (“**Property Business**”) in any of the Target Cities.

The non-competition undertaking by BCL under the Non-Competition Deed does not apply to (i) the holding of securities by BCL (or any member of BCL Group) in any company engaged in Property Business in any of the Target Cities, whose securities are listed on a recognised stock exchange provided that BCL (or any member of the BCL Group) is not in control of the board of such company and it is not interested in more than 5% of the issued share capital of such company; and (ii) the acquisition or holding of property by BCL Group for self-use.

The entering into of the Non-Competition Deed by BCL in favour of the Company (for itself and on behalf of its subsidiaries) is subject to the approval by the independent shareholders of BCL in general meeting. Capital Group, which holds approximately 45.58% of the total issued share capital of BCL as at the date of this joint announcement, and its close associates, will abstain from voting in the relevant resolutions.

(2) Non-competition undertaking by the Company not to compete in non-Target Cities

In consideration of the non-competition undertaking by BCL under the Non-Competition Deed, the Company will undertake in the Non-Competition Deed in favour of BCL (for itself and on behalf of its subsidiaries) that conditional upon Completion and during the term of the Non-Competition Deed, it shall not, and shall procure that none of its subsidiaries shall, directly or indirectly, carry on, engage, invest, participate or otherwise be interested in any Property Business in any non-Target Cities in the PRC.

The non-competition undertaking by the Company under the Non-Competition Deed does not apply to (i) the holding of securities by the Company (or any member of the Enlarged Group) in any company engaged in Property Business in any non-Target Cities in the PRC, whose securities are listed on a recognised stock exchange provided that the Company (or any member of the Enlarged Group) is not in control of the board of such company or interested in more than 5% of the issued share capital of such company; and (ii) the acquisition or holding of property by the Enlarged Group for self-use.

The Non-Competition Deed is conditional upon Completion and shall terminate on the earlier of (i) the date on which BCL (or its subsidiaries, including Get Thrive) ceases to be interested in, directly or indirectly, 50% of the entire issued share capital of the Company or (ii) the date on which the Shares of the Company cease to be listed and traded on the Stock Exchange (except for temporary suspension of trading of the Shares on the Stock Exchange for any reason).

Business Delineation

Different business positioning

The businesses of the Enlarged Group and BCL Group are further delineated by their different business positioning. Following Completion, the Enlarged Group and BCL Group are expected to have their own respective focuses in different property segments in different cities in the PRC. The Enlarged Group will be developing outlets-backed integrated property projects and commercial property projects in the PRC. The Acquisition represents the first step of the Company expanding into the real estate sector in the PRC and the Enlarged Group will be expanding into selected Target Cities in the PRC by acquiring land from the PRC government and third parties to develop outlets-backed integrated property projects and commercial property projects. BCL Group will continue to engage in the development of residential property projects, commercial property projects and outlets-backed integrated property projects after Completion.

Future development of outlets-backed integrated property projects

Going forward, between the Enlarged Group and BCL Group, the Enlarged Group will be the main platform for the development of any new outlets-backed integrated property projects. Pursuant to the geographical delineation set out above, new outlets-backed integrated property projects in the Target Cities will be developed and operated by the Enlarged Group following Completion.

RISKS ASSOCIATED WITH THE ACQUISITION AND THE ENLARGED GROUP

Completion is subject to the fulfilment of conditions precedent and there is no assurance that they can be fulfilled and/or the Acquisition and the issue of the CPS will be completed as contemplated

A number of the conditions precedent to Completion as set out in the sections headed “The Acquisition” and “The Issue of the CPS” in this Joint Announcement involve the decisions of third parties, including approvals by the Independent Shareholders at the EGM and the approval by the independent shareholders of BCL at the extraordinary general meeting of BCL. As fulfilment of these conditions precedent are not within the control of the parties involved in the Acquisition and the issue of the CPS, there is no assurance that they can be fulfilled and/or the Acquisition and the issue of the CPS will be completed as contemplated.

The shareholding percentages of the existing Shareholders in the Company will be diluted following the conversion of the CPS into Conversion Shares, and any value enhancement of the Shares as a result of the Acquisition may not offset the dilutive effect to the existing Shareholders in the Company

Pursuant to the Subscription Agreement, the Company will issue and allot the CPS in connection with the Subscription. In such a case, an aggregate of up to 738,130,482 new Shares will be issued upon conversion of the CPS into Conversion Shares, subject to the Company meeting the minimum public float requirement under the Listing Rules, which represent approximately 369.1% of the issued share capital of the Company as at the date of this joint announcement and 78.7% of the issued share capital of the Company as enlarged by the allotment and issue of the new Shares (assuming that all the CPS are converted into Conversion Shares). Please refer to the section headed “Effect of the Acquisition and the issue of the CPS on the shareholding structure of the Company” of this joint announcement for further details of the shareholding structure of the Company immediately after the Completion.

As a result, the shareholding percentages of the existing Shareholders in the Company would be diluted when the CPS are converted into Conversion Shares, subject to the Company meeting the minimum public float requirement under the Listing Rules. Any value enhancement of the Shares as a result of the Acquisition may not necessarily be reflected in their market price and may not offset the dilutive effect to the Shareholders.

Other risks

The risks relating to the business of the business of the Enlarged Group, the business, legal and regulatory environment for property development in the PRC and the general economic, legal and political climate of the PRC will be set out in the Circular.

IMPLICATIONS OF THE ACQUISITION AND THE ISSUE OF THE CPS UNDER THE LISTING RULES FOR THE COMPANY

The Acquisition constitutes:

- (a) a very substantial acquisition for the Company under Chapter 14 of the Listing Rules as the applicable percentage ratios are over 100% for the Company in relation to the Acquisition;
- (b) a connected transaction of the Company under Chapter 14A of the Listing Rules, as Asian Expert, the seller of the Transfer Interest, is a connected person of the Company by virtue of being a subsidiary of BCL (the controlling shareholder and a connected person of the Company); and
- (c) a reverse takeover of the Company under Rule 14.06(6)(b) of the Listing Rules on the basis that the Acquisition (i) constitutes a very substantial acquisition for the Company under Chapter 14 of the Listing Rules and (ii) involves acquisition of assets from Asian Expert (which is an associate of Get Thrive) within 24 months of Get Thrive gaining control (as defined in the Takeovers Code) of the Company,

and accordingly, the Acquisition is subject to the approval of the Independent Shareholders at the EGM.

In addition, as the Acquisition constitutes a reverse takeover of the Company, the Company is being treated as if it were a new listing applicant under Rule 14.54 of the Listing Rules. The Acquisition is therefore also subject to the approval of the Listing Committee of a new listing application to be made by the Company in due course. Such new listing application is required to comply with all the requirements under the Listing Rules, in particular the requirements under Chapters 8 and 9 of the Listing Rules. Upon completion of the BCL Acquisition, there will be a technical change in the ownership and control of the Target Company in respect of 60% of its equity interest, i.e. the Reco Ziyang Interest, as a result of the transfer by Reco Ziyang to Asian Expert. The Company has applied for and the Listing Committee has granted a waiver from strict compliance with Rule 8.05(1)(c) of the Listing Rules in connection with the Company’s listing application.

The issue of the CPS constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules as Get Thrive, the subscriber of the CPS is a controlling shareholder and connected person of the Company. As the applicable percentage ratios exceed 5%, the issue of the CPS is subject to the approval of the Independent Shareholders at the EGM.

The EGM will be proposed for the Shareholders to consider and, if thought fit, pass the requisite resolutions to approve inter alia, the Acquisition, the issue of the CPS, the proposed grant of the Specific Mandate, the proposed increase in the authorised share capital of the Company and the creation of the CPS. Get Thrive, BCG and their respective close associates, and any person who has a material interest in the Acquisition and the issue of the CPS are required to abstain from voting on the relevant resolutions to be proposed at the EGM. To the best knowledge of the Company, Reco Ziyang and its associates do not hold any Shares in the Company as at the date of this Joint Announcement.

IMPLICATIONS OF THE DISPOSAL AND THE SUBSCRIPTION UNDER THE LISTING RULES FOR BCL

The transfer of 100% equity interest of the Target Company to Far Reaching constitutes a disposal by BCL. As the applicable percentage ratios exceed 25% but are less than 75%, the Disposal constitutes a major transaction for BCL and accordingly, it is subject to the approval of the shareholders of BCL at the extraordinary general meeting of BCL.

In relation to the Subscription by BCL, as the applicable percentage ratios exceed 25% but are less than 100%, the Subscription constitutes a major transaction for BCL and is subject to the approval of the shareholders of BCL at the extraordinary general meeting of BCL.

An extraordinary general meeting of BCL will be proposed for its shareholders to consider and, if thought fit, pass the requisite resolutions to approve inter alia, the Disposal, the Subscription and the Non-competition Deed. Capital Group and its close associates (including BCG), and Reco Ziyang and its close associates and any person who has a material interest in the Disposal, the Subscription and the Non-competition Deed are required to abstain from voting on the relevant resolutions to be proposed at the extraordinary general meeting of BCL.

CONTINUING CONNECTED TRANSACTIONS

Upon Completion, any transaction between the Enlarged Group and BCL Group (including the associates of BCL) will constitute a connected transaction or continuing connected transaction of the Company, which may be subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

FINANCIAL ADVISER, INDEPENDENT BOARD COMMITTEES AND INDEPENDENT FINANCIAL ADVISER

The Hongkong and Shanghai Banking Corporation Limited has been appointed as the financial adviser to the Company in relation to the Acquisition and the issue of the CPS.

The Independent Board Committee comprising, Dr. Ngai Wai Fung, Ms. Zhao Yuhong and Mr. He Xiaofeng, being all the independent non-executive Directors, has been formed to advise the Independent Shareholders on matters in relation to the Acquisition and the issue of the CPS.

The Company has, with the approval of the Independent Board Committee, appointed Altus Capital Limited as the independent financial adviser in accordance with the requirements under the Listing Rules to advise the Independent Board Committee and the Independent Shareholders on matters in relation to the Acquisition and the issue of the CPS.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL AND CREATION OF THE CPS

The Company will also propose a resolution at the EGM to (i) create a new class of shares of HK\$0.01 each in the form of the CPS; (ii) increase the authorised share capital of the Company to HK\$20,000,000, comprising 2,000,000,000 shares in the Company of HK\$0.01 each and (iii) re-classify and re-designate the increased authorised share capital of the Company so that it comprises of Shares and CPS.

PROPOSED GRANT OF SPECIFIC MANDATE

The Company will issue the CPS (which are convertible into the Conversion Shares on a 1:1 conversion ratio) to Get Thrive at the Issue Price. The CPS and the Conversion Shares will be allotted and issued under the Specific Mandate proposed to be sought from the Independent Shareholders at the EGM.

DESPATCH OF CIRCULARS

The Company will despatch a circular in accordance with requirements under the Listing Rules, which will contain, among other things, (i) further details of the Acquisition and the issue of the CPS; (ii) the recommendation of the Independent Board Committee in relation to the Acquisition and the issue of the CPS; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Acquisition and the issue of the CPS; (iv) financial information of the Target Group; (v) valuation of properties of the Target Group; and (vi) the notice of the EGM.

The Circular is subject to review and comments by the Stock Exchange and will be despatched to the Shareholders as soon as practicable after the Company has obtained the approval in principle from the Listing Committee with respect to the new listing application. In view of the process required in connection with the new listing application by the Company, the Company expects that the Circular will be despatched more than 15 business days after the date of this joint announcement. The Company will make a further announcement for the expected date of despatch of the Circular. The shareholders of the Company and potential investors should refer to the Circular to be despatched by the Company for further details of the Acquisition and the issue of the CPS.

BCL will despatch a circular in accordance with the requirements under the Listing Rules, which will contain, among other things, further details of the Disposal and the Subscription and the notice of the extraordinary general meeting of BCL. The circular to be despatched by BCL in connection with the Disposal and the Subscription will be despatched on or around the same time as the Circular for the Company. BCL therefore expects that the circular will be despatched more than 15 business days after the date of this joint announcement. BCL will make a further announcement for the expected date of despatch of its circular. The shareholders of BCL and potential investors should refer to the circular despatched by BCL for further details of the Disposal and the Subscription.

WARNING

The Acquisition and the issue of the CPS are subject to a number of conditions including the approvals by the shareholders of the Company and BCL respectively, which may or may not be fulfilled. In addition, the Listing Committee's approval of the new listing application to be made by the Company may or may not be granted. In the event that the approval of the new listing application is not granted by the Listing Committee, the Acquisition Agreement and the Subscription Agreement will not become unconditional and the Acquisition (or the Disposal, in the case of BCL) and the issue (or the subscription, in the case of BCL) of the CPS will not proceed.

THE SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY AND BCL SHOULD EXERCISE CAUTION WHEN DEALING OR CONTEMPLATING IN DEALING IN THE SHARES AND THE BCL SHARES, RESPECTIVELY, OR IN ANY OTHER SECURITIES OF THE COMPANY AND BCL (AS THE CASE MAY BE).

DEFINITIONS

In this joint announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“Acquisition”	the purchase of 100% equity interest of the Target Company by Far Reaching from Asian Expert as contemplated under the Acquisition Agreement
“Acquisition Agreement”	the equity transfer agreement dated 15 August 2014 entered into between Far Reaching and Asian Expert in relation to the transfer of 100% equity interest of the Target Company
“Articles”	the articles of association of the Company adopted on 9 August 2010, as may be amended from time to time
“Asian Expert”	Asian Expert Limited (僑恩有限公司), a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of BCL
“associate(s)”	has the meaning as defined in the Listing Rules
“BCG”	BCG Chinastar International Investment Limited (首創華星國際投資有限公司), a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of Capital Group and a connected person of BCL
“BCL”	Beijing Capital Land Ltd. (首創置業股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Stock Exchange (Stock Code: 2868), a connected person of the Company
“BCL Group”	BCL and its subsidiaries, other than the Enlarged Group
“BCL Shares”	ordinary H shares of RMB1.00 each in the share capital of BCL

“Beijing Ruiyuan”	Beijing Ruiyuan Fengxiang Real Estate Ltd.* (北京瑞元豐祥置業有限公司), a company established in the PRC with limited liability, a wholly-owned subsidiary of BCL and a connected person of the Company
“BCL Acquisition”	the transfer of 60% equity interest of the Target Company by Reco Ziyang to Asian Expert pursuant to the terms and subject to the conditions under the Reco Ziyang Transfer Agreement
“Board”	the board of Directors of the Company
“Business Day”	a business day on which the Stock Exchange is open for the transaction of business
“BVI”	the British Virgin Islands
“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 and under the direct supervision of the Beijing Municipal Government, the controlling shareholder and a connected person of BCL
“close associate(s)”	has the meaning as defined in the Listing Rules
“Circular”	the circular of the Company to be sent to Shareholders in relation to the EGM, containing inter alia, details on the Acquisition and the issue of the CPS
“Company”	Juda International Holdings Limited (鉅大國際控股有限公司), 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)
“Completion”	the completion of the Acquisition in accordance with the terms and conditions of the Acquisition Agreement and of the Subscription and issue of the CPS in accordance with the terms and conditions of the Subscription Agreement
“Completion Date”	the date on which Completion occurs
“connected person”	has the meaning as defined in the Listing Rules
“Consideration”	A total of approximately HK\$1,963.4 million for the Acquisition
“controlling shareholder(s)”	has the meaning as defined under the Listing Rules
“Conversion Shares”	the 738,130,482 new Shares to be allotted and issued to Get Thrive by the Company upon the exercise by Get Thrive of the conversion rights attaching to the CPS, credited as fully paid

“CPS”	the 738,130,482 new limited-voting non-redeemable convertible preference shares of HK\$0.01 each to be created as a new class of shares in the share capital of the Company upon Completion and to be allotted and issued by the Company credited as fully paid, and CPS shall refer to any one of them
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Directors”	director(s) of the Company
“DTZ”	DTZ Debenham Tie Leung Limited
“Disposal”	the sale of 100% equity interest of the Target Company by Asian Expert to Far Reaching pursuant to the Acquisition Agreement
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving, among others, (i) the Acquisition; (ii) the proposed grant of the Specific Mandate; (iii) the proposed increase in the authorized share capital of the Company and creation of the CPS
“Enlarged Group”	the Group and the Target Group
“Far Reaching”	Far Reaching Company Limited (深廣發展有限公司), a company incorporated in Hong Kong with limited liability on 9 August 2010, a wholly-owned subsidiary of Shengfa, which is in turn wholly-owned by the Company
“Get Thrive”	Get Thrive Limited (得興有限公司), a company incorporated in the BVI with limited liability, a wholly-owned subsidiary of BCL and a connected person of the Company
“Group”	the Company and its subsidiaries immediately prior to Completion
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	an independent board committee of the Board, comprising all the independent non-executive Directors, namely, Dr. Ngai Wai Fung, Ms. Zhao Yuhong and Mr. He Xiaofeng formed for the purpose of advising the Independent Shareholders in respect of the Acquisition and the issue of the CPS
“Independent Financial Adviser”	Altus Capital Limited, a corporation licensed to conduct Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Acquisition and the issue of the CPS

“Independent Shareholder(s)”	the Shareholder(s), other than (i) Get Thrive, BCL and BCG and their respective associates; (ii) those who are connected, interested or involved in the Acquisition and the issue of the CPS; and (iii) those who are required to abstain from voting at the EGM to be convened to approve the Acquisition and the issue of the CPS and matters relating to it
“Issue Price”	HK\$2.66 per CPS
“Last Trading Day”	14 August 2014, being the last full trading day for the Shares before the date of this joint announcement
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time
“Non-Competition Deed”	the deed of non-competition between BCL and the Company mutually in favour of each other, incidental to the Acquisition
“outlets-backed integrated property projects”	commercial and residential integrated property projects, featuring outlet shops
“percentage ratios”	any of the five ratios set out in Rule 14.07 of the Listing Rules
“PRC government”	the central government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities)
“RMB”	Renminbi, the lawful currency of the PRC
“Rueyyuan Holding”	Rueyyuan Holding Company Limited (瑞元控股有限公司), a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of Beijing Ruiyuan and a connected person of the Company
“Reco Ziyang”	Reco Ziyang Pte Ltd., a company incorporated in Singapore, which is the substantial shareholder of certain subsidiaries of BCL, and an independent third party of the Company and a connected person of BCL
“Reco Ziyang Interest”	the 60% equity interest in the Target Company, which is owned by Reco Ziyang immediately prior to the completion of BCL Acquisition
“Reco Ziyang Transfer Agreement”	the equity transfer agreement dated 15 August 2014 entered into between Asian Expert and Reco Ziyang in relation to the transfer of the Reco Ziyang Interest

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	the holders of the Shares
“Shares”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Shengfa”	Shengfa Limited (發盛有限公司), a company incorporated in the British Virgin Islands with limited liability, a wholly-owned subsidiary of the Company
“Specific Mandate”	the specific mandate proposed to be granted by the Independent Shareholders to the Directors at the EGM to allot and issue the CPS and the Conversion Shares (as the case may be)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription by Get Thrive of CPS in accordance with the terms and conditions set out in the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 15 August 2014 entered into between Get Thrive and the Company in relation to the Subscription
“Takeovers Code”	The Code on Takeovers and Mergers
“Target Cities”	has the meaning as defined under section headed “Geographical Delineation” of this joint announcement
“Target Company”	Xi’an Capital Xin Kai Real Estate Ltd. (西安首創新開置業有限公司), an equity joint venture company established in the PRC with limited liability, owned as to 40% by Asian Expert and 60% by Reco Ziyang as at the date of this joint announcement
“Target Group”	the Target Company and Xi’an Hengfu and each of them, a “Target Group Company
“Track Record Period”	the track record period of the Target Group as defined in the Circular
“Transfer Interest”	the 100% of the equity interest of the Target Company, which will be held by Asian Expert immediately prior to Completion
“US\$”	United States Dollars, being the lawful currency of the United States of America
“Xi’an Project”	the real estate development project named Xi’an First City (西安首創國際城) located in Xi’an city, the PRC

“Xi’an Hengfu”

Xi’an Hengfu Commercial and Enterprise Management Company Limited* (西安恒賦商業企業管理有限公司), a company established in the PRC with limited liability and wholly-owned by the Target Company

“%”

per cent.

By order of the board of directors of
Beijing Capital Land Ltd.
Liu Xiaoguang
Chairman and Executive Director

By order of the board of directors of
Juda International Holdings Limited
Tang Jun
Chairman and Executive Director

Hong Kong, 15 August 2014

As at the date of this joint announcement, the board of the Company comprises Mr. Tang Jun (Chairman) and Mr. Zhong Beichen (Chief Executive Officer) as executive directors; Mr. Liu Xiaoguang and Mr. Wang Hao as non-executive directors; and Dr. Ngai Wai Fung, Ms. Zhao Yuhong and Mr. He Xiaofeng as independent non-executive directors.

As at the date of this joint announcement, the board of BCL comprises Mr. Liu Xiaoguang (Chairman), Mr. Tang Jun and Mr. Zhang Juxing as executive directors, Mr. Wang Hao, Mr. Shen Jianping and Mr. Zhang Shengli as non-executive directors, Mr. Li Zhaojie, Mr. Ng Yuk Keung and Mr. Wang Hong as independent non-executive directors.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to BCL) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by BCL) 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 statement in this joint announcement misleading.

The directors of BCL jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating 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 that expressed by the Company) 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 statement in this joint announcement misleading.

The percentage shareholding of the Shareholders in the Company upon Completion represent the number of Shares held by them as a percentage of the total number of issued Shares immediately upon Completion (without taking into account any CPS or Conversion Shares), unless otherwise stated.

Certain English translation of Chinese names or words marked with “” in this joint announcement are included for information only, and are not official English translations of such Chinese names or words.*