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北京控股有限公司
BEIJING ENTERPRISES HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 392)

**EUR500,000,000 1.00% GUARANTEED GREEN BONDS
DUE 2025 AND DISCLOSURE PURSUANT TO
RULE 13.18 OF THE LISTING RULES**

The Board is pleased to announce that on 17 September 2020, the Company and the Issuer entered into a Subscription Agreement with the Managers in connection with the Bonds Issue.

The Issuer intends to on-lend the net proceeds from the subscription of the Bonds to the Company for refinancing existing offshore indebtedness which was incurred in connection with the funding of the Eligible Green Assets as described under the Company's Green Finance Framework and in accordance with applicable laws and regulations.

Application will be made to the Stock Exchange for permission to deal in the Bonds by way of debt issues to Professional Investors only. A confirmation of eligibility for listing of the Bonds has been received from the Stock Exchange. Listing of the Bonds on the Stock Exchange is not to be taken as an indication of the merits of the Bonds or the Company.

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

INTRODUCTION

The Board is pleased to announce that on 17 September 2020, the Company and the Issuer entered into a Subscription Agreement with the Managers in connection with the Bonds Issue.

THE SUBSCRIPTION AGREEMENT

Date

17 September 2020

Parties to the Subscription Agreement

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

Australia and New Zealand Banking Group Limited, The Hongkong and Shanghai Banking Corporation Limited, Industrial and Commercial Bank of China (Asia) Limited and Natixis are the Joint Global Coordinators and Joint Bookrunners, and Agricultural Bank of China Limited Hong Kong Branch, Bank of China (Hong Kong) Limited, Bank of Communications Co., Ltd. Hong Kong Branch, CCB International Capital Limited, China CITIC Bank International Limited, China International Capital Corporation Hong Kong Securities Limited, DBS Bank Ltd. and ICBC International Securities Limited are the Joint Bookrunners in respect of the offer and sale of the Bonds. To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, the Managers are independent third parties and are not connected persons of the Company.

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

PRINCIPAL TERMS OF THE BONDS

Bonds Offered

Subject to certain conditions to completion, the Issuer will issue the Bonds in an initial aggregate principal amount of EUR500,000,000 which will mature on 24 September 2025 unless redeemed prior to their maturity pursuant to the terms thereof. At maturity, the Bonds are payable at their principal amount plus accrued interest thereon.

Issue Price

99.637%

Interest

The Bonds will bear interest at a rate of 1.00% per annum, payable annually in arrear in equal instalments on 24 September in each year, commencing on 24 September 2021.

Ranking of the Bonds and Guarantee

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

The Company has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Bonds and the Trust Deed. The obligations of the Company under the Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to the Conditions, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

Events of Default

Some of the events of default under the Conditions are summarised as follows:

- (a) default in the payment of principal or premium;
- (b) default in the payment of interest within 14 days after the due date for such payment;
- (c) the Issuer or the Company defaults in the performance of or breaches any covenant or agreement in respect of the Bonds or under the Trust Deed or the Agency Agreement (other than a default specified in clause (a) or (b) above) and such default or breach continues for a period of 30 consecutive days after written notice by the Trustee;
- (d) there occurs with respect to any indebtedness of, or guaranteed by, the Issuer, the Company or any of the Company's Subsidiaries having an outstanding principal amount of US\$40 million (or the dollar equivalent thereof) or more in the aggregate for all such indebtedness of all such persons, whether such indebtedness now exists or shall thereafter be created, (A) an event of default that has caused the holder hereof to declare such indebtedness to be due and payable prior to its express maturity and/or (B) the failure to make a payment of principal, interest or premium when due;
- (e) one or more final judgments or orders for the payment of money are rendered against the Issuer, the Company or any of the Company's Subsidiaries and are not paid or discharged, and there is a period of 90 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such persons to exceed US\$60 million (or the dollar equivalent thereof) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;

- (f) the Issuer, the Company or any of the Company's Subsidiaries is insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend, payment of all or a material part of (or of a particular type of) its debts, or in other similar situations as described in the Conditions;
- (g) an order is made or an effective resolution passed for (i) the termination, winding-up or dissolution, administration or judicial management of the Issuer, the Company or any of the Company's Subsidiaries or (ii) the winding-up, dissolution, judicial management or administration of the Issuer, the Company or any of the Company's Subsidiaries, or the Issuer, the Company or any of the Company's Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of, and followed by, a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution (as defined in the Conditions) of holders of the Bonds;
- (h) the Beijing Municipal Government declares a moratorium on the payment of any obligations by the Beijing Municipal Government; and
- (i) the Issuer ceases to be a subsidiary wholly-owned and controlled, directly or indirectly, by the Company.

If an event of default with respect to the Bonds shall occur and be continuing, either the Trustee and if so requested in writing by the holders of at least 25% in aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution of holders of the Bonds shall give notice to the Issuer that the Bonds and any accrued and unpaid interest thereon (and any additional amount payable in respect thereof) to be due and payable immediately upon receipt of such notice.

Optional Redemption

The Issuer may, at any time upon giving not less than 30 nor more than 60 days' notice to holders of the Bonds and the Trustee and the Principal Paying Agent (which notice shall be irrevocable), redeem the Bonds, in whole but not in part, at a redemption amount equal to the Make-Whole Price.

Specific Performance Obligation of Substantial Shareholders

The holder of each Bond will have the right, at such holder's option, to require the Issuer to redeem all, or some only, of such holder's Bonds at 101% of their principal amount (together with accrued interest) if a Change of Control Triggering Event occurs. A Change of Control Triggering Event means a Change of Control (as defined below) or, in the event that the Bonds are, on the Rating Date (as defined in the Conditions), rated Investment Grade (as defined in the Conditions) by two or more Rating Agencies (as defined in the Conditions), a Change of Control Triggering Event shall mean the occurrence of both a Change of Control and a Rating Decline (as defined in the Conditions).

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

- (a) the State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality does not, directly or indirectly, through Beijing Enterprises Group Company Limited or other companies under its supervision and control, hold at least 50.1% of the Company's issued and outstanding capital stock or does not control the Company; or
- (b) any person or persons acting together acquires directly or indirectly control of the Company if such person or persons does not have, and would not be deemed to have, control of the Company on the Closing Date; or

- (c) the Company consolidates with or merges into or sells or transfers all or substantially all of the Company's assets to any other person, unless the consolidation, merger, sale or transfer will not result in the other person or persons acquiring control over the Company or the successor entity; or
- (d) one or more persons (other than any person referred to in sub-paragraph (c) above) acquires the legal or beneficial ownership of all or substantially all of the Company's issued share capital.

Please note that the disclosure of this condition is made in accordance with Rule 13.18 of the Listing Rules.

Reason for the Bonds Issue

If the Bonds are issued, the Issuer intends to on-lend the net proceeds from the subscription of the Bonds to the Company for refinancing existing offshore indebtedness which was incurred in connection with the funding of the Eligible Green Assets as described under the Company's Green Finance Framework and in accordance with applicable laws and regulations.

Green Certification

The Bonds will have the benefit of a second party opinion issued by Vigeo Eiris and a pre-issuance stage certificate provided by the Hong Kong Quality Assurance Agency under the HKQAA Green Finance Certification Scheme 2018.

Listing

Application will be made to the Stock Exchange for permission to deal in the Bonds by way of debt issues to Professional Investors only. Listing of the Bonds on the Stock Exchange is not to be taken as an indication of the merits of the Bonds or the Company.

Ratings

The Bonds have received a rating of "Baa1" from Moody's and "BBB+" from S&P.

DEFINITIONS

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

“Agency Agreement”	the agency agreement dated on or about the Closing Date between the Issuer, the Company, the Trustee and the Agents, as amended and/or supplemented from time to time
“Agents”	the Principal Paying Agent, the Registrar, the Transfer Agent and any other agent or agents appointed from time to time with respect to the Bonds
“Board”	the board of Directors
“Bonds”	EUR500,000,000 1.00% guaranteed green bonds due 2025 issued by the Issuer and guaranteed by the Company
“Bonds Issue”	the issue of the Bonds by the Issuer
“Closing Date”	24 September 2020
“Conditions”	the terms and conditions of the Bonds
“connected person”	has the meaning ascribed to it under the Listing Rules
“Company”	Beijing Enterprises Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 392)
“Directors”	the directors of the Company
“Eligible Green Assets”	has the meaning as described in the Green Finance Framework
“Guarantee”	the guarantee given by the Company with respect to the Issuer’s obligations under the Bonds

“Green Finance Framework”	the green finance framework of the Company as published on the website of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issuer”	Talent Yield (Euro) Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company
“Joint Bookrunners”	Agricultural Bank of China Limited Hong Kong Branch, Bank of China (Hong Kong) Limited, Bank of Communications Co., Ltd. Hong Kong Branch, CCB International Capital Limited, China CITIC Bank International Limited, China International Capital Corporation Hong Kong Securities Limited, DBS Bank Ltd. and ICBC International Securities Limited
“Joint Global Coordinators and Joint Bookrunners”	Australia and New Zealand Banking Group Limited, The Hongkong and Shanghai Banking Corporation Limited, Industrial and Commercial Bank of China (Asia) Limited and Natixis
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Make-Whole Price”	means the greater of (x) 100% of the principal amount of the Bonds so redeemed and, (y) the sum of the then present values of the remaining scheduled payments of principal and interest on the Bonds (not including any interest accrued on the Bonds to, but excluding, the date of redemption (the “ Optional Redemption Date ”) discounted to the Optional Redemption Date on an annual basis (Actual/Actual (ICMA)) at the Redemption Rate (as defined in the Conditions) plus 0.30% per annum, plus in each case (x) or (y) above, any interest accrued and unpaid on the Bonds to, but excluding, the Optional Redemption Date

“Managers”	the Joint Global Coordinators and Joint Bookrunners and the Joint Bookrunners
“Moody’s”	Moody’s Investors Service, Inc.
“PRC”	the People’s Republic of China
“Professional Investors”	as defined in Chapter 37 of the Listing Rules and in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Principal Paying Agent”	The Bank of New York Mellon, London Branch
“Registrar” and “Transfer Agent”	The Bank of New York Mellon SA/NV, Luxembourg Branch
“Subscription Agreement”	the Subscription Agreement dated 17 September 2020 entered into between the Issuer, the Company and the Managers
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	means, in relation to the Issuer or the Company, any company (i) in which the Issuer or as the case may be, the Company holds a majority of the voting rights or (ii) of which the Issuer or, as the case may be, the Company is a member and has the right to appoint or remove a majority of the board of directors or (iii) of which the Issuer or as the case may be, the Company is a member and controls a majority of the voting rights, and includes any company which is a Subsidiary of a Subsidiary of the Issuer or as the case may be, the Company
“S&P”	Standard & Poor Ratings Group
“Trust Deed”	the trust deed dated on or about the Closing Date between the Issuer, the Company and the Trustee

“Trustee”	The Bank of New York Mellon, London Branch
“United States”	the United States of America
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“US\$”	US dollar, the lawful currency of the United States of America
“%”	per cent.

By Order of the Board
Beijing Enterprises Holdings Limited
Hou Zibo
Chairman and Chief Executive Officer

Hong Kong, 18 September 2020

As at the date of this announcement, the board of directors of the Company comprises Mr. Hou Zibo (Chairman and Chief Executive Officer), Mr. Li Yongcheng, Mr. Zhao Xiaodong, Mr. Jiang Xinhao and Mr. Tam Chun Fai as executive directors; Mr. Wu Jiesi, Mr. Lam Hoi Ham, Dr. Sze Chi Ching and Dr. Yu Sun Say as independent non-executive directors.