
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Beijing Capital Grand Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
PROPOSED CHANGE OF AUDITORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Beijing Capital Grand Limited to be held at 7th Floor, West Zone Jing'an Centre, No. 8 North 3rd Ring East Road, Chaoyang District, Beijing, China on 31 May 2024 at 10:00 a.m., is set out on pages 16 to 19 of this circular.

Whether or not you are able to attend the meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of such meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 7th Floor, West Zone, Jing’an Centre, No. 8 North 3rd Ring East Road, Chaoyang District, Beijing, China on 31 May 2024 at 10:00 a.m. or where the context so admits, any adjournment thereof, to consider the resolutions set out in the AGM Notice
“AGM Notice”	the notice convening the AGM as set out on pages 16 to 19 of this circular
“Articles”	the articles of association of the Company as amended from time to time
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Audit Committee”	the audit committee of the Company
“Capital Group”	Beijing Capital Group Co., Ltd.* (北京首都創業集團有限公司), a state-owned enterprise incorporated in the PRC on 26 October 1994 and under the direct supervision of the Beijing Municipal Government, the controlling shareholder of the Company
“BCCDG”	Beijing Capital City Development Group Co., Ltd.* (北京首創城市發展集團有限公司), a company established in the PRC with limited liability on 10 June 2021, the controlling shareholder of the Company, and is wholly-owned by Capital Group
“BCL”	Beijing Capital Land Co., Ltd. (首創置業有限公司, formerly known as Beijing Capital Land Ltd. 首創置業股份有限公司), a company incorporated in the PRC with limited liability on 5 December 2002, the controlling shareholder of the Company, and is wholly-owned by BCCDG
“Board”	the board of Directors of the Company
“Companies Act”	the Companies Act, Chapter 22 of the Cayman Islands
“Company”	Beijing Capital Grand Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange (Stock Code: 1329)
“Director(s)”	the director(s) of the Company

DEFINITIONS

“General Mandates”	the Issue Mandate and the Repurchase Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and deal with Shares in the manner as set out in the ordinary resolution numbered 4 of the AGM Notice (as extended by adding to it the aggregate nominal amount of the ordinary share capital of the Company repurchased under the Repurchase Mandate pursuant to the ordinary resolution numbered 6 of the AGM Notice)
“Latest Practicable Date”	22 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Company
“PRC”	the People’s Republic of China which, for the purpose of this circular excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase Shares in the manner as set out in the ordinary resolution numbered 5 of the AGM Notice
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategic Investment Committee”	the strategic investment committee of the Company
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buybacks issue by Securities and Futures Commission of Hong Kong
“%”	per cent

CAPITAL  GRAND
BEIJING CAPITAL GRAND LIMITED

首創鉅大有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1329)

Executive Directors:

Mr. Fan Shubin (*Chairman*)
Mr. Xie Hongyi (*Chief Executive Officer*)

Non-executive Directors:

Mr. Wang Hao
Ms. Qin Yi
Mr. Zhai Senlin

Independent Non-executive Directors:

Mr. Yeung Chi Tat
Dr. Huang Wei
Mr. Xu Weiguo

Registered office:

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

*Hong Kong Principal Place
of Business:*

10/F., Guangdong Investment Tower
148 Connaught Road Central
Hong Kong

26 April 2024

To the Shareholders, the convertible preference shares holders and the perpetual convertible bond securities holders (for information only)

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
PROPOSED CHANGE OF AUDITORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to give you details of the following proposals which, together with other ordinary business, will be proposed at the AGM for consideration and, where appropriate, approval by the Shareholders:

- (i) re-election of Directors;
- (ii) grant of the General Mandates; and

LETTER FROM THE BOARD

(iii) change of auditors.

The AGM Notice is set out on pages 16 to 19 of this circular.

2. RE-ELECTION OF DIRECTORS

The Board currently comprise eight Directors, of which two are executive Directors, namely Mr. Fan Shubin and Mr. Xie Hongyi, three are non-executive Directors, namely Mr. Wang Hao, Ms. Qin Yi and Mr. Zhai Senlin, and three are independent non-executive Directors, namely Mr. Yeung Chi Tat, Dr. Huang Wei and Mr. Xu Weiguo.

In accordance with Article 83(3) of the Articles of Association, any Director appointed by the Board to fill a casual vacancy on the Board shall hold office until the first general meeting of the Company after his appointment and then be eligible for re-election at such meeting. Mr. Xie Hongyi, who was appointed as an executive Director in February 2024, and Mr. Zhai Senlin, who was appointed as a non-executive Director in April 2024, therefore will retire at the AGM and, being eligible, offer themselves for re-election at the AGM.

In accordance with Articles 84(1) and (2) of the Articles, at each annual general meeting of the Company, one-third of the Directors for the time being (or if their number is not three or a multiple of three, then the number nearest but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last re-election or appointment but as between persons who became or were last re-elected Directors on the same day those to retire shall (unless otherwise agree between themselves) be determined by lot. Accordingly, Mr. Wang Hao and Ms. Qin Yi will retire by rotation and, being eligible, offer themselves for re-election at the upcoming AGM.

Details of the aforementioned Directors for re-election as disclosed pursuant to Rule 13.74 and Rule 13.51(2) of the Listing Rules are set out in Appendix I to this circular.

3. GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES

The current general mandates granted to the Directors to issue and repurchase Shares will expire at the conclusion of the AGM and, therefore, ordinary resolutions will be proposed at the AGM to grant fresh general mandates as follows:

- (i) to grant to the Directors the Issue Mandate to allot, issue and deal with additional Shares not exceeding 20% of the aggregate amount of the share capital of the Company in issue as at the date of the passing of the relevant ordinary resolution (i.e. issue of new Share not exceeding 192,307,692 Shares based on the share capital of the Company in issue of 961,538,462 Shares as at the Latest Practicable Date assuming that no further Shares will be issued and allotted prior to the passing of the relevant ordinary resolution at the AGM);

LETTER FROM THE BOARD

- (ii) to grant to the Directors the Repurchase Mandate to purchase or repurchase issued and fully paid up Shares not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the relevant ordinary resolution (i.e. not exceeding 96,153,846 Shares based on the share capital of the Company in issue of 961,538,462 Shares as at the Latest Practicable Date assuming that no further Shares will be issued and allotted prior to the passing of the relevant ordinary resolution at the AGM); and
- (iii) conditional upon the passing of the ordinary resolutions to grant the Issue Mandate and the Repurchase Mandate, to extend the Issue Mandate by the addition thereto the number of Shares repurchased by the Company pursuant to the Repurchase Mandate.

Full text of the relevant ordinary resolutions in relation to the general mandates described in (i), (ii) and (iii) above are set out as resolutions numbers 4, 5 and 6 respectively in the AGM Notice.

The Directors have no immediate plans to allot, issue, or deal with any new Shares other than Shares which may fall to be issued pursuant to any scrip dividend scheme or under similar arrangement which may be approved by the Shareholders from time to time or as the result of conversion of any convertible preference share or perpetual convertible bond securities of the Company in issue or repurchase any Shares pursuant to the relevant mandates.

In accordance with Rule 10.06(1)(b) of the Listing Rules, the Company is required to send to Shareholders an explanatory statement containing information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution to approve the purchase by the Company of its Shares. This explanatory statement is set out in Appendix II to this circular.

4. CHANGE OF AUDITORS

Reference is made to the announcement of the Company dated 18 April 2024 in relation to, among others, the proposed change of auditors. According to the requirements of the Measures for Administration of Selection and Engagement of Accounting Firms by State-Owned Enterprises and Listed Companies (Cai Kuai [2023] No. 4) (《國有企業、上市公司選聘會計師事務所管理辦法》(財會[2023]4號)) (the “**Administrative Measures**”) jointly issued by the Ministry of Finance of the People’s Republic of China, the State-owned Assets Supervision and Administration Commission of the State Council and the China Securities Regulatory Commission, PwC’s appointment as the auditor of the Company has reached the prescribed consecutive term of appointment under the Administrative Measures. Therefore, the Company is required to change its auditor in the year of 2024.

After considering the opinions of the Audit Committee and referring to the results of the selection process, the Board has resolved to appoint KPMG as the auditor of the Company for the year 2024 upon the expiration of the term of office of PwC, and proposed to approve the authorization of the Board to fix the remuneration of auditor at the AGM.

LETTER FROM THE BOARD

The Audit Committee agreed to commence the selection and appointment of auditor by way of tender. After considered a number of factors including but not limited to (i) its experience in handling audit work for companies listed on the Stock Exchange, its industry knowledge, technical competence/expertise and performance capability; (ii) its resources allocation, quality and capability including but not limited to manpower, time and other resources allocation; (iii) its independence and objectivity; (iv) its audit fee; (v) its market reputation and track record, and carefully assessed KPMG's eligibility and suitability to act as the auditor of the Company in accordance with the rules and requirements set forth in (i) the "Guidelines for Effective Audit Committees — Selection, Appointment and Reappointment of Auditors" issued by the Accounting and Financial Reporting Council ("AFRC") in December 2021; and (ii) the "Guidance Notes on Change of Auditors" published by the AFRC in September 2023, the Audit Committee recommended KPMG to the Board as the auditor of the Company. The appointment of KPMG is subject to the approval of the Shareholders by way of an ordinary resolution at the AGM and shall hold office until the conclusion of the next annual general meeting of the Company following the AGM.

The Board and the Audit Committee confirmed that there is no disagreement or unresolved issues between PwC and the Company, and there are no other matters related to the change of auditors that should be brought to the attention of the Shareholders.

5. RESPONSIBILITY STATEMENT

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

6. ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 16 to 19 of this circular. A form of proxy for use at the AGM is also enclosed with this circular. Whether or not you are able to attend the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

7. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll save that the chairman of the meeting may in good faith allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions will be put to vote by way of poll at the AGM. An announcement on the results of the vote by poll will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made reasonable enquiries, no Shareholder is required to abstain from voting at the AGM pursuant to the Listing Rules and/or the Articles.

8. RECOMMENDATION

The Directors consider that the proposals described in this circular are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of all resolutions to be proposed at the AGM.

9. GENERAL

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

Yours faithfully,
By order of the Board
Beijing Capital Grand Limited
Fan Shubin
Chairman

The biographical and other details of the Directors proposed to be retired and re-elected at the AGM are set out as below:

(1) MR. XIE HONGYI — EXECUTIVE DIRECTOR

Mr. Xie Hongyi (謝洪毅), aged 44, was appointed as a party committee secretary, executive Director, chief executive officer and chairman of the Strategic Investment Committee of the Company in February 2024. Mr. Xie joined Capital Group in April 2013. Mr. Xie served as the deputy general manager and general manager of the Strategic Development Center of Capital Urbanization (Tianjin) Investment Co., Ltd. (首創經中(天津)投資有限公司) from April 2013 to June 2017, the assistant to the general manager and the deputy general manager of Capital Urbanization (Tianjin) Investment Co., Ltd. from June 2017 to December 2022, and an executive director of Beijing Capital Investment and Development Co., Ltd. (首創投資發展有限公司) from September 2018 to December 2022. In January 2023, Mr. Xie was appointed as the deputy general manager of BCCDG. Prior to joining Capital Group, Mr. Xie served as the executive deputy general manager of the Communication Consulting Department of CCID Consulting Company Limited (賽迪顧問股份有限公司) from July 2008 to August 2010 and the industrial analysis manager of the Industrial Analysis Department of the Industrial Research Institute of Investment Promotion Center of China Fortune Land Development Co., Ltd. (華夏幸福基業股份有限公司) from August 2010 to April 2013. Mr. Xie obtained a bachelor's degree in Electronic Science and Technology from the Department of Electronic Engineering of Tsinghua University in September 2003, and a doctorate degree in Electronic Science and Technology from Tsinghua University in July 2008.

A service contract has been entered into between Mr. Xie and the Company for a term of three years commencing from 8 February 2024 and thereafter be continuous unless and until terminated by not less than one month's prior notice in writing served by either party on the other. The term of Mr. Xie's appointment is subject to the retirement by rotation and re-election at any subsequent general meeting of the Company in accordance with the Articles. Mr. Xie will not receive any director's fee, and the annual salary amount to RMB1,280,000 of him as a chief executive officer has been determined by the Board with reference to his responsibilities, experiences, the Company's remuneration policy and the prevailing market condition.

Save as disclosed above, as at the Latest Practicable Date, Mr. Xie did not (i) hold any directorship in the last three years prior to the Latest Practicable Date in public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) hold any other position in the Company and other members of the Group; (iii) have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) hold any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information in relation to Mr. Xie required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there other matters in relation to his re-election that need to be brought to the attention of the Shareholders.

(2) MR. ZHAI SENLIN — NON-EXECUTIVE DIRECTOR

Mr. Zhai Senlin (翟森林), aged 37, was appointed as a non-executive Director, member of the Nomination Committee, and member of the Strategic Investment Committee of the Company in April 2024. He served as an executive deputy general manager (in charge of overall operation) of the Investment and Development Center of Sino-Ocean Group Holding Limited (“**Sino-Ocean Group**”, HKEX stock code: 3377). Mr. Zhai joined Sino-Ocean Group in February 2017 and served as deputy director of investment of the office of CEO Affairs, assistant to the general manager of Investment and Financing Business Center and deputy general manager of Investment Development Center. He has previously worked at Lufthansa Shopping City Co. Ltd. (燕莎商城股份有限公司) and BCL. Mr. Zhai graduated from Xi’an Jiaotong University and obtained a bachelor’s degree in Science in 2008.

A service contract has been entered into between Mr. Zhai and the Company for a term of three years commencing from 18 April 2024 and thereafter be continuous unless and until terminated by not less than one month’s prior notice in writing served by either party on the other. The term of Mr. Zhai’s appointment is subject to the retirement by rotation and re-election at any subsequent general meeting of the Company in accordance with the Articles. Mr. Zhai will not receive any remuneration from the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. Zhai did not (i) hold any directorship in the last three years prior to the Latest Practicable Date in public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) hold any other position in the Company and other members of the Group; (iii) have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) hold any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information in relation to Mr. Zhai required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there other matters in relation to his re-election that need to be brought to the attention of the Shareholders.

(3) MR. WANG HAO — NON-EXECUTIVE DIRECTOR

Mr. Wang Hao (王昊), aged 41, was appointed as a non-executive Director and a member of the Strategic Investment Committee of the Company in May 2018. Mr. Wang served as an employee of CITIC Securities Co., Ltd. from June 2007 to August 2010. Mr. Wang served as an assistant to the chairman of the Capital Management Center of BCL from August 2010 to January 2014, an assistant to the chairman of BCL from January 2014 to October 2015, the deputy general manager of the Synergy Development Department of the Capital Group from October 2015 to February 2017, the deputy general manager of the Real Estate Department of the Capital Group from February 2017 to January 2023, and has served as the deputy general manager of the Industrial Development Department of the Capital Group since January 2023, and has served as a non-executive director of Beijing Media Corporation Limited (HKEX stock code: 1000) since 29 December 2023. Mr. Wang obtained a bachelor’s degree in Electrical Engineering from University

of Bristol in the United Kingdom in June 2006, and a master's degree in Business Administration jointly offered by Tsinghua University and the Chinese University of Hong Kong in November 2020.

A service contract has been entered into between Mr. Wang and the Company for a term of three years commencing from 21 May 2021 and thereafter be continuous unless and until terminated by not less than one month's prior notice in writing served by either party on the other. The term of Mr. Wang's appointment is subject to the retirement by rotation and re-election at any subsequent general meeting of the Company in accordance with the Articles. Mr. Wang will not receive any remuneration from the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. Wang did not (i) hold any directorship in the last three years prior to the Latest Practicable Date in public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) hold any other position in the Company and other members of the Group; (iii) have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) hold any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information in relation to Mr. Wang required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there other matters in relation to his re-election that need to be brought to the attention of the Shareholders.

(4) MS. QIN YI — NON-EXECUTIVE DIRECTOR

Ms. Qin Yi (秦怡), aged 45, was appointed as a non-executive Director and a member of the Remuneration Committee of the Company in December 2018. Ms. Qin joined BCL in July 2004 and served as a professional supervisor of the Business Development Department, a senior manager of the Strategic Development Center, as well as the assistant general manager, deputy general manager and general manager of the Capital Management Center successively. Ms. Qin served as the secretary of the board of directors of BCL from March 2016 to January 2024. She served as the secretary of the board of directors of BCCDG from November 2021 to January 2024, the general manager (director) of the Capital Operation Department (the office of the board of directors) of BCCDG from January 2022 to May 2023, and was appointed as a director of BCCDG in May 2023. Ms. Qin has served as the deputy general manager (presiding) of the Capital Group since May 2023, and was appointed as a director of Capital Securities Company Limited (SSE stock code: 601136) since September 2023, a director of Beijing Capital Eco-environment Protection Group Co., Ltd. (SSE stock code: 600008) since December 2023. Prior to joining BCL, Ms. Qin served in the Finance Department of Beijing Saike Pharmaceutical Co., Ltd. from 2000 to 2001. Ms. Qin obtained a bachelor's degree in Economics from China Institute of Finance and Banking in 2000 and a master's degree in Economics from the School of Economics of Peking University in 2004.

A service contract has been entered into between Ms. Qin and the Company for a term of three years commencing from 5 December 2021 and thereafter be continuous unless and until terminated by not less than one month's prior notice in writing served by either party on the other.

The term of Ms. Qin's appointment is subject to the retirement by rotation and re-election at any subsequent general meeting of the Company in accordance with the Articles. Ms. Qin will not receive any remuneration from the Company.

Save as disclosed above, as at the Latest Practicable Date, Ms. Qin did not (i) hold any directorship in the last three years prior to the Latest Practicable Date in public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) hold any other position in the Company and other members of the Group; (iii) have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) hold any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information in relation to Ms. Qin required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there other matters in relation to her re-election that need to be brought to the attention of the Shareholders.

This is an explanatory statement given to the Shareholders relating to proposed resolution granting the Repurchase Mandate to the Directors to be passed by the Shareholders at the AGM. This explanatory statement contains a summary of the information required pursuant to Rule 10.06(1)(b) of the Listing Rules which is set out as follows:

EXERCISE OF THE REPURCHASE MANDATE

Resolution numbered 5 set out in the AGM Notice will, if passed, give a general unconditional mandate to the Directors authorising the repurchase by the Company of the issued and fully paid Shares up to a maximum of 10% of the nominal amount of the share capital of the Company as at the date of the AGM. It will be valid until the next annual general meeting unless revoked or varied before such meeting.

Exercise in full of the Repurchase Mandate would result in up to maximum of 96,153,846 Shares (on the basis of 961,538,462 shares in issue as at the Latest Practicable Date) being repurchased by the Company.

REASONS FOR THE REPURCHASE OF SECURITIES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have a general authority from the Shareholders to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or the earnings per share of the Company and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole.

FUNDING OF REPURCHASE

In repurchasing Shares, the Company will only apply funds legally available for such purpose in accordance with any applicable laws of Cayman Islands, the memorandum of association of the Company and the Articles.

Any payment for repurchases by the Company may be made out of profits of the Company, the share premium account of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if authorized by the Articles and subject to the Companies Act, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be repurchased must be provided for out of either or both of the profits or from the share premium account of the Company, or, if authorized by the Articles and subject to the Companies Act, out of capital.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period, it might have a material adverse effect on the working capital and/or the gearing position of the Company (as compared with the financial position disclosed in the

audited consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2023). Therefore, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements and/or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DISCLOSURE OF INTERESTS

The Board will exercise the power of the Company to make repurchase of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, all applicable laws of Cayman Islands, the memorandum of association of the Company and the Articles, as applicable. Neither this explanatory statement nor the proposed repurchases of Shares has unusual features.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company under the Repurchase Mandate if the Repurchase Mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

EFFECT OF TAKEOVERS CODE

If a Shareholder's proportionate interest in the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 or Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge of the Directors, the controlling shareholders (as defined in the Listing Rules) of the Company, namely BECL Investment Holding Limited, BCL, BCCDG, BCG Chinastar International Investment Limited and Capital Group (collectively, the "**Controlling Shareholders**") are entitled to exercise and/or control the exercise of 75% of the voting rights in the general meetings of the Company.

In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, the voting rights of the Controlling Shareholder in the Company would increase to approximately 83.3%. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 or Rule 32 of the Takeovers Code.

The Directors will not exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

REPURCHASES OF SHARES MADE BY THE COMPANY

The Company has not repurchased any Shares on the Stock Exchange or otherwise in the six months prior to the date of the Latest Practicable Date.

MARKET PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous 12 months were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023		
April	0.69	0.68
May	0.70	0.57
June	0.79	0.67
July	0.77	0.76
August	0.76	0.68
September	0.76	0.67
October	0.82	0.62
November	0.70	0.70
December	0.70	0.70
2024		
January	0.70	0.60
February	0.95	0.68
March	0.95	0.45
April (up to the Latest Practicable Date)	0.68	0.20

NOTICE OF ANNUAL GENERAL MEETING

CAPITAL GRAND

BEIJING CAPITAL GRAND LIMITED

首創鉅大有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1329)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Beijing Capital Grand Limited (the “Company”) will be held at 7th Floor, Jing An Centre, 8 North 3rd Ring East Road, Chaoyang District, Beijing, China on 31 May 2024 at 10:00 a.m. to transact the following ordinary business. Unless otherwise specified, capitalised terms used herein shall have the same meanings as defined in the circular of the Company dated 26 April 2024.

1. To consider and adopt the audited financial statements and the reports of the directors and independent auditor of the Company for the year ended 31 December 2023;
2.
 - (a) To re-elect Mr. Xie Hongyi as an executive Director;
 - (b) To re-elect Mr. Zhai Senlin as a non-executive Director;
 - (c) To re-elect Mr. Wang Hao as a non-executive Director;
 - (d) To re-elect Ms. Qin Yi as a non-executive Director;
 - (e) To authorise the Board to fix the Directors’ remuneration;
3. To appoint KPMG as the Company’s independent auditor and to authorise the Board to fix their remuneration;

By way of special business, to consider and, if thought fit, to pass each of the following resolutions, with or without modification, as ordinary resolutions:

ORDINARY RESOLUTIONS

4. **“THAT:**
 - (a) subject to sub-paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (“Shares”) and to make or grant offers, agreements and options, including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for Shares or convertible into Shares which might require the exercise of such powers, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate nominal amount of the shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of rights of subscription or conversion under the terms of any warrants to be issued by the Company or any securities which are convertible into Shares; (iii) any Share Option Scheme (as hereinafter defined) of the Company; or (iv) any scrip dividend or other similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the Articles, shall not exceed 20 per cent of the aggregate nominal amount of the shares of the Company in issue at the date of passing this resolution; and

(c) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in a general meeting; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws of the Cayman Islands to be held.

“Rights Issue” means an offer of shares of the Company or offer or issue of warrants options or other securities giving rights to subscribe for Share open for a period fixed by the Directors to holders of shares of the Company on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong); and

“Share Option Scheme” means a share option scheme or similar arrangement for the time being, as varied from time to time, adopted for the grant or issue to eligible grantees of rights to acquire shares of the Company.”

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5. **“THAT:**

- (a) subject to sub-paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in sub-paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the shares of the Company in issue at the date of passing this resolution; and
- (c) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in a general meeting; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws of the Cayman Islands to be held.”
6. **“THAT** conditional upon the ordinary resolutions 4 and 5 above being passed, the general mandate granted to the Directors to issue and otherwise deal with additional shares in the capital of the Company pursuant to ordinary resolution 4 above be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution 5 above provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the shares of the Company in issue at the date of passing this resolution.”

By order of the Board
Beijing Capital Grand Limited
Xie Hongyi
Executive Director

Beijing, 26 April 2024

NOTICE OF ANNUAL GENERAL MEETING

Principal place of business in Hong Kong:

10/F., Guangdong Investment Tower
148 Connaught Road Central
Hong Kong

Notes:

1. Any shareholder of the Company entitled to attend and vote at the AGM convened by the above notice is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company. A form of proxy for use at the AGM is enclosed herewith.
2. Where there are joint registered holders of any share, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. To be valid, the form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the AGM or any adjournment thereof.
5. Delivery of the form of proxy will not preclude a shareholders from attending and voting in person at the AGM or any adjourned meeting or upon the poll concerned and, in such event, the instrument appointing a proxy will be deemed to be revoked.
6. With regard to the proposed resolutions under agenda item 4 and 5 of this notice of AGM, the Directors wish to state that they have no immediate plans to issue any new shares or repurchase any shares of the Company pursuant to the general mandates referred thereunder.
7. A circular containing, among others things, an explanatory statement relating to the proposed resolution no. 5 of this notice of AGM has been despatched to the shareholders of the Company.
8. As at the date of this notice, the Board comprises Mr. Fan Shubin (Chairman) and Mr. Xie Hongyi (Chief Executive Officer) as executive Directors; Mr. Wang Hao, Ms. Qin Yi and Mr. Zhai Senlin as non-executive Directors; and Mr. Yeung Chi Tat, Dr. Huang Wei and Mr. Xu Weiguo as independent non-executive Directors.