
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
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Beijing Capital Grand Limited to be held at Suites 4602-05, One Exchange Square, Central, Hong Kong on 28 April 2022 at 10:00 a.m., at which a number of matters including the above proposals will be considered, is set out on pages 17 to 21 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 Level 54, Hopewell Centre, 183 Queen's Road East, 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 desire.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please refer to page 21 of this circular for measures being taken to prevent and control the spread of the Coronavirus Disease 2019 ("COVID-19"), including but not limited to the following:

- (1) Compulsory body temperature checks will be conducted, and those with a body temperature of over 37.3 degrees Celsius or with a flu-like symptoms or is otherwise unwell will not be admitted to the AGM venue;
- (2) Compulsory personal health declaration;
- (3) Wearing of surgical face mask is compulsory at any time within the AGM venue and no surgical face masks will be provided; and
- (4) No refreshments or drinks and no corporate gift will be distributed;

Attendees who do not comply with the precautionary measures referred to in (1) to (3) above may be denied entry to the AGM venue, at the absolute discretion of the Company as permitted by law. For the health and safety of Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the AGM by appointing the Chairman of the AGM as their proxy and to return their proxy forms by the time specified herein, instead of attending the AGM in person. Physical attendance at the AGM by a Shareholder is not necessary for the purpose of exercising voting rights. Subject to the development of COVID-19, the Company may implement further procedures and precautionary measures at short notice and issue further announcement(s) as and when appropriate. Shareholders should check the Company's website for updates on the latest arrangement of the AGM.

25 March 2022

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
APPENDIX I - PARTICULARS OF DIRECTORS STANDING FOR RE-ELECTION	9
APPENDIX II - EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE	14
NOTICE OF ANNUAL GENERAL MEETING	17

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 Suites 4602-05, One Exchange Square, Central, Hong Kong on 28 April 2022 at 10:00 a.m. or where the context so admits, any adjournment thereof
“AGM Notice”	the notice convening the AGM as set out on pages 17 to 21 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
“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, and also the controlling shareholder of the Company
“Board”	the board of Directors of the Company
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) 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
“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

DEFINITIONS

“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”	21 March 2022, 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)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategic Investment Committee”	the strategic investment committee of the Company

DEFINITIONS

“Takeovers Code”

The Codes on Takeovers and Mergers and Share Buy-backs issue by Securities and Futures Commission of Hong Kong

“%”

per cent

LETTER FROM THE BOARD

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. Feng Yujian (*Chief Executive Officer*)

Non-executive Directors:

Mr. Wang Hao
Ms. Qin Yi
Mr. Zhou Yue
Mr. Yang, Paul Chunyao

Independent Non-executive Directors:

Dr. Ngai Wai Fung
Ms. Zhao Yuhong
Mr. He Xiaofeng

Registered office:

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

Hong Kong Principal Place of Business:

Suites 4602-05
One Exchange Square
Central
Hong Kong

25 March 2022

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
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; and
- (ii) grant of the General Mandates.

The AGM Notice is set out on pages 17 to 21 of this circular.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

The Board currently comprise nine Directors, of which two are executive Directors, namely Mr. Fan Shubin and Mr. Feng Yujian, four are non-executive Directors, namely Mr. Wang Hao, Ms. Qin Yi, Mr. Zhou Yue and Mr. Yang, Paul Chunyao and three are independent non-executive Directors, namely Dr. Ngai Wai Fung, Ms. Zhao Yuhong and Mr. He Xiaofeng.

In accordance with Article 83(3) of the Articles, 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/her appointment and be subject to re-election at such meeting. Mr. Fan Shubin has been appointed as an executive Director in October 2021 and he will therefore offer himself for re-election at the AGM.

In accordance with Article 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. Feng Yujian, Dr. Ngai Wai Fung and Ms. Zhao Yuhong will retire by rotation and, being eligible, offer themselves for re-election at the AGM. Any Director appointed by the Board pursuant to Article 83(3) of the Articles shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

Pursuant to Rule 13.74 of the Listing Rules, the details of the Directors proposed to be re-elected at the AGM required under Rule 13.51(2) of the Listing Rules are set out in Appendix I.

In selecting independent non-executive Directors, the Board will consider the candidates based on the nomination procedures and the board diversity policy of the Company, and will take into account factors including but not limited to their gender, qualifications, experience, independence and the ability to contribute to the affairs of the Group.

The Nomination Committee and the Board have discussed the matters in relation to the retirement and re-election of the two independent non-executive Directors. Notwithstanding the length of service of the two independent non-executive Directors who are subject to retirement and re-election, the Board is of the view that their individual independence cannot be determined solely on the basis of the length of their services. During their tenure of office, the two independent non-executive Directors offered positive contributions to the Company by providing independent, constructive and substantiated opinions, and they have complemented other Directors by leveraging their knowledge, extensive experience and background in their respective field of professions, thereby enhancing the competencies, experience and perspectives of the Board as a whole and hence promoting diversity of the Board. Besides, the

LETTER FROM THE BOARD

continued tenure of directorship may bring considerable stability to the Board. In addition, the Board will benefit greatly from the presence of members who are familiar with the Group's businesses and its markets through their long services. The Board has also considered factors that may affect their independence as set out in Rule 3.13 of the Listing Rules, and is of the view that the two independent non-executive Directors who are subject to retirement and re-election would still be able to exercise a high degree of independent judgement, and hence considers them to be independent.

Furthermore, notwithstanding Dr. Ngai Wai Fung has served as directors of seven listed companies, he has maintained his profession in various directorships of listed companies he served, and has actively participated in the Board meetings and various committees held by the Company in the past, and so his time committed for his duties as a Director is not affected. Therefore, the Board unanimously agreed that he has devoted sufficient time to perform his duties as a Director.

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);
- (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 notice of AGM.

LETTER FROM THE BOARD

The Directors have no immediate plans to allot, issue, or deal with any new Shares other than Shares which may fall to be issued under the share option scheme(s) (if any) of the Company or 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. 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.

5. ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 17 to 21 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 Level 54, Hopewell Centre, 183 Queen's Road East, 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.

6. 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.

LETTER FROM THE BOARD

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.

7. 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 the resolutions regarding the re-election of Directors and the grant of the General Mandates to Directors to be proposed at the AGM.

8. 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. FAN SHUBIN – EXECUTIVE DIRECTOR

Mr. Fan Shubin (范書斌), aged 53, a senior accountant, was appointed as an executive Director, the chairman of the Board and the chairman of the Nomination Committee in October 2021. He served as the head of the Accounting Department of China Nonferrous Metals Industry Technology Development Company Limited from August 1992 to February 1995. He also served as the manager of the Financial Department of China Rare Earth Development Company from March 1995 to April 2002. Mr. Fan joined Beijing Capital Group Co., Ltd. (the “Capital Group”) in May 2002 and served as the deputy general manager and the general manager of the Financial Management Department of Beijing Capital Eco-environment Protection Group Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600008, formerly known as Beijing Capital Co., Ltd.), the deputy general manager of the Planning and Financial Department and the general manager of the Financial Management Department of Capital Group. He served as a supervisor of BCL from December 2011 to October 2016. He served as deputy general manager, chief financial officer and general accountant (chief financial officer) of BCL from October 2016 to October 2021. He served as an executive director of BCL from April 2018 to October 2021. Mr. Fan was appointed as director and general manager of Beijing Capital City Development Group Co., Ltd. in October 2021 and at the same time he was appointed as a director and general manager of BCL. He obtained a Bachelor’s degree in Accounting of Industrial Enterprises from North China University of Technology in July 1991 and an MBA degree from Guanghua School of Management, Peking University in July 2000.

A service contract has been entered into between Mr. Fan and the Company for a term commencing from 19 October 2021 to the date of the forthcoming general meeting, subject to rotation and re-election in accordance with the Articles. Mr. Fan will not receive any remuneration from the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. Fan (i) did not 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; and (ii) did not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company nor 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. Fan 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. FENG YUJIAN – EXECUTIVE DIRECTOR

Mr. Feng Yujian (馮瑜堅), aged 48, was appointed as an executive Director and the chief executive officer of the Company in January 2017, the chairman of the Strategic Investment Committee in February 2018, and the assistant president of BCL in October 2018. He is also a director in certain subsidiaries of the Company. He was the vice-president of the Company from March 2015 to January 2017. He joined BCL and served as the securities business manager in the Business Development Department in March 2003, the assistant to general manager and deputy general manager of the Strategic Development Centre from January 2007 to January 2010, the general manager of the Capital Management Centre from January 2010 to July 2014, as well as the general manager and investment relationship director of BCL Hong Kong Office from August 2014 to February 2017. Prior to joining BCL, Mr. Feng served as a senior analyst in Foshan Securities Co., Ltd., an analyst in Beijing Xinminsheng Financial Advisory Co., Ltd. and a securities trader in Zhejiang Jinma Property Development Co., Ltd.. Mr. Feng obtained a bachelor's degree in Economics from Renmin University of China in July 1994 and a master's degree in Business Administration from Beijing International MBA (BiMBA) in February 2003.

Mr. Feng renewed his service contract with the Company on 24 January 2020 for a term of three years commencing from 24 January 2020 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. Feng's appointment is subject to the retirement by rotation and re-election at any subsequent annual general meeting of the Company in accordance with the Articles. Mr. Feng's remuneration is fixed by the Board pursuant to the authority granted by the Shareholders at the annual general meeting by reference to his duty, responsibility and performance, financial result and operation situation of the Group and other factors which the Board may consider relevant and appropriate. The amount of Mr. Feng's remuneration had been disclosed in the annual report of the Company for the financial year ended 31 December 2021.

Save as disclosed above, as at the Latest Practicable Date, Mr. Feng (i) did not 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; and (ii) did not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company nor 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. Feng 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) DR. NGAI WAI FUNG – INDEPENDENT NON-EXECUTIVE DIRECTOR

Dr. NGAI Wai Fung (魏偉峰), aged 60, was appointed as an independent non-executive Director, the chairman of the audit committee and a member of the remuneration committee and nomination committee of the Company in December 2013.

Dr. Ngai is a director and the group chief executive officer of SWCS Corporate Services Group (Hong Kong) Limited, a specialty company secretarial, corporate governance and compliance services provider to companies in pre-IPO and post-IPO stages. Prior to that, he was the director and head of listing services of an independent integrated corporate services provider. Dr. Ngai has over 30 years of professional practice and senior management experience including acting as the executive director, chief financial officer and company secretary, most of which are in the areas of finance, accounting, internal control and regulatory compliance, corporate governance and company secretarial work for listed issuers including major red chips companies. Dr. Ngai led or participated in a number of significant corporate finance projects including listings, mergers and acquisitions as well as issuance of debt securities.

Dr. Ngai is currently a member of the General Committee and the Chairman of Membership Services of Sub-Committees of the Chamber of Hong Kong Listed Companies. He was the president of the Hong Kong Institute of Chartered Secretaries (currently known as the Hong Kong Chartered Governance Institute) (2014-2015), a non-official member of the Working Group on Professional Services under the Economic Development Commission of the Hong Kong Special Administrative Region (2013-2018), a member of the Qualification and Examination Board of the Hong Kong Institute of Certified Public Accountants (2013-2018) and the first batch of Finance Expert Consultants of Ministry of Finance of the People's Republic of China (2016-2021). Dr. Ngai is a fellow of the Association of Chartered Certified Accountants in the United Kingdom, a member of the Hong Kong Institute of Certified Public Accountants, a fellow of the Chartered Governance Institute, a fellow of the Hong Kong Chartered Governance Institute, a fellow of the Hong Kong Institute of Directors, a member of the Hong Kong Securities and Investment Institute and a member of the Chartered Institute of Arbitrators.

Dr. Ngai obtained a Doctoral Degree in Finance at Shanghai University of Finance and Economics, a Master's Degree in Corporate Finance from Hong Kong Polytechnic University, a Master's Degree in Business Administration from Andrews University of Michigan and a Bachelor's Degree in Law at University of Wolverhampton.

Dr. Ngai is currently the independent non-executive director of the following companies, namely Bosideng International Holdings Limited (SEHK Stock Code: 03998), Powerlong Real Estate Holdings Limited (SEHK Stock Code: 01238), BaWang International (Group) Holding Limited (SEHK Stock Code: 01338), TravelSky Technology Limited (SEHK Stock Code: 00696) and China Energy Engineering Corporation Limited (SEHK Stock Code: 03996). Dr. Ngai is also the independent director of SPI Energy Co., Ltd. (Nasdaq: SPI). Dr. Ngai was the

independent non-executive director of Renco Holdings Group Limited from March 2016 to April 2018, Yangtze Optical Fibre and Cable Joint Stock Limited Company from September 2014 to January 2020, Health and Happiness (H&H) International Holdings Limited from July 2010 to May 2020, SITC International Holdings Company Limited from September 2010 to October 2020, BBMG Corporation from November 2015 to May 2021 and China Communications Construction Company Limited from November 2017 to February 2022. He was the independent director of LDK Solar Co., Limited from July 2011 to April 2020.

Dr. Ngai renewed his service contract with the Company on 21 December 2019 for a term of three years commencing from 21 December 2019 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 Dr. Ngai's appointment is subject to the retirement by rotation and re-election at any subsequent annual general meeting of the Company in accordance with the Articles. Dr. Ngai is entitled to director fee of HK\$305,000 per annum. The remuneration of Dr. Ngai was determined with reference to the prevailing market conditions and the terms of the Company's remuneration policy.

Save as disclosed above, as at the Latest Practicable date, Dr. Ngai (i) did not 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; and (ii) did not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company nor 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 Dr. Ngai 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. ZHAO YUHONG – INDEPENDENT NON-EXECUTIVE DIRECTOR

Ms. Zhao Yuhong (趙宇紅), aged 53, was appointed as an independent non-executive Director, the chairman of the remuneration committee and a member of each of the audit committee and the nomination committee of the Company in December 2013. Ms. Zhao has worked as an associate professor of Faculty of Law, The Chinese University of Hong Kong ("CUHK") since August 2008. Ms. Zhao was the assistant dean (UG student affairs) and associate dean (undergraduate studies) of Faculty of Law at CUHK from September 2008 to August 2010 and from September 2010 to July 2013, respectively. Ms. Zhao was a lecturer and subsequently assistant professor of School of Law at City University of Hong Kong from January 1996 to June 2002 and from July 2002 to August 2006, respectively. From September 2006 to July 2008, Ms. Zhao served as an assistant professor of School of Law at CUHK. Ms. Zhao obtained her Bachelor of Arts degree in English Language and Literature and Bachelor

of Laws degree from Peking University in July 1991. Ms. Zhao obtained her Master of Studies in Law degree with Magna Cum Laude from Vermont Law School, the USA in February 1993 and her PhD degree in Law from City University of Hong Kong in November 2000.

Ms. Zhao renewed her service contract with the Company on 21 December 2019 for a term of three years commencing from 21 December 2019 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. Zhao's appointment is subject to the retirement by rotation and re-election at any subsequent annual general meeting of the Company in accordance with the Articles. Ms. Zhao is entitled to director fee of HK\$305,000 per annum. The remuneration of Ms. Zhao was determined with reference to the prevailing market conditions and the terms of the Company's remuneration policy.

Save as disclosed above, as at the Latest Practicable Date, Ms. Zhao (i) did not 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; and (ii) did not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company nor 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. Zhao 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 retirement and 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 Law, 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 Law, 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 2021). 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

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

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchase of Shares pursuant to the proposed Repurchase Mandate in accordance with the Listing Rules, all applicable laws of Cayman Islands, the memorandum of association of the Company and the Articles.

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, Beijing Capital City Development Group Co., Ltd., 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>
2021		
March	1.04	0.9
April	1.1	1.1
May	1.2	0.87
June	1.45	1
July	1.46	0.91
August	1.19	0.91
September	1.27	0.92
October	0.99	0.82
November	1.24	0.9
December	1.28	0.82
2022		
January	1.15	0.75
February	0.81	0.75
March (up to the Latest Practicable Date)	0.79	0.58

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 Suites 4602-05, One Exchange Square, Central, Hong Kong on 28 April 2022 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 25 March 2022.

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 2021;
2.
 - (a) To re-elect Mr. Fan Shubin as an executive Director;
 - (b) To re-elect Mr. Feng Yujian as an executive Director;
 - (c) To re-elect Dr. Ngai Wai Fung as an independent non-executive Director;
 - (d) To re-elect Ms. Zhao Yuhong as an independent non-executive Director;
 - (e) To authorise the Board to fix the Directors’ remuneration;
3. to re-appoint PricewaterhouseCoopers 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.”

NOTICE OF ANNUAL GENERAL MEETING

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
Peng Sisi
Company Secretary

Hong Kong, 25 March 2022

NOTICE OF ANNUAL GENERAL MEETING

Principal place of business in Hong Kong:

Suites 4602–05

One Exchange Square

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 Level 54, Hopewell Centre, 183 Queen's Road East, 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. Feng Yujian (Chief Executive Officer) as executive Directors; Mr. Wang Hao, Ms. Qin Yi, Mr. Zhou Yue and Mr. Yang, Paul Chunyao as non-executive Directors; and Dr. Ngai Wai Fung, Ms. Zhao Yuhong and Mr. He Xiaofeng as independent non-executive Directors.

NOTICE OF ANNUAL GENERAL MEETING

In view of the current COVID-19 pandemic situation, the Company will implement the following precautionary measures at the AGM to protect the Shareholders and other attendees from risk of infection:

1. To allow social distancing, the number of seats at the venue will be limited and available on a first-come-first-served basis. The Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding;
2. Compulsory body temperature check will be conducted for all participants (including Shareholders or their proxies) at the entrance of the venue. Any person with a body temperature of over 37.3 degrees Celsius will not be admitted to the venue;
3. All attendees will be required to complete and sign the health declaration form before entering the AGM venue;
4. Anyone who has travelled outside Hong Kong within 14 days before the AGM (“Recent Record of Travelling”), is subject to quarantine or self-quarantine related to COVID-19, or has close contact with any person who is undergoing quarantine or has a Recent Record of Travelling shall not attend the AGM in person;
5. All participants (including Shareholders or their proxies) are required to wear surgical facial masks when they enter the venue and throughout the AGM, and use sanitizer to sanitize their hands and step on the disinfecting carpet to disinfect the sole when they enter the venue;
6. No drinking and eating during the AGM at the venue, and no food and beverage and no corporate gift will be provided; and
7. Should any participant decline any of the above mentioned measures, the Company reserves the right to refuse to admit such person to the AGM.

To the extent permitted under the laws of Hong Kong, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM.

The Company strongly encourages Shareholders, particularly any Shareholders who are themselves or have close contact with persons subject to quarantine in relation to COVID-19, to appoint the chairman of the AGM as their proxy to vote on the respective resolutions at the AGM, instead of attending the AGM in person. The form of proxy can be downloaded from the website of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk> and the Company’s website at <http://www.bcgrand.com>. In order to be valid, the form of proxy must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the AGM.

Subject to the development of the epidemic, the Company may implement further precautionary measures, and where necessary, issue further announcement(s) on such measures as and when appropriate.