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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)**

## **CONTINUING CONNECTED TRANSACTIONS EARLY TERMINATION OF ASSET BACKED SECURITIES SCHEME**

Reference is made to the joint announcement of Beijing Capital Land Co., Ltd. (formerly known as Beijing Capital Land Ltd.) and Beijing Capital Grand Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 28 May 2021 in relation to the establishment of asset backed securities scheme (the “**2021 Announcement**”). Unless the context requires otherwise, capitalized terms used herein shall have the same meanings as defined in the 2021 Announcement.

The board of directors of the Company would like to update the shareholders and investors of the Company that it has decided to early terminate the Scheme prior to the expiry of the Term (i.e. 27 May 2024).

In view of the foregoing, the Company issued a notice to the Scheme Manager and the Fund Manager on 28 June 2023 to exercise its Right of First Refusal to acquire all the equity interests and certain debt interests of each of the Project Companies under the Right of First Refusal Agreement. In such notice, the Company has designated certain of its wholly-owned subsidiaries (the “**Nominee(s)**”) to take up the aforesaid equity and debt interests in each of the Project Companies.

Upon the exercise of the Right of First Refusal and for the purposes of terminating the Scheme, the following agreements will be entered into in July 2023:

- (i) the Fund Manager, the Scheme Manager and the relevant Nominee will enter into the transfer agreement for the transfer of all the units of the Fund held by the Scheme Manager to the relevant Nominee;
- (ii) the Nominees and the Fund Manager will enter into the equity transfer agreements for the transfer of all equity interests in each of the Project Companies from the Fund Manager to the Nominees;
- (iii) the Nominees and the Fund Manager will enter into the debt assignments for the transfer of certain debt interests of each of the Project Companies from the Fund Manager to the Nominees; and

(iv) the Nominee, the Scheme Manager and the Fund Manager will enter into a distribution agreement to facilitate the above arrangements.

Upon completion of all of the above transfers of the equity interests and debt interests of the Project Companies to the Nominees and the termination of the Scheme, (a) all principal amount, interests and applicable distributions of all Senior Class ABS will be fully redeemed and repaid; and (b) each of the Project Companies will continue to hold the respective Properties and will continue to be accounted for as a subsidiary the Company and the financial results of the Project Companies will remain consolidated into the financial statements of the Group. In other words, the Group will directly hold the interests in the Project Companies and the Properties, which is similar to the holding structure immediately prior to the establishment of the Scheme. In addition, all continuing connected transactions contemplated under the ABS Agreements among the Group, the Scheme Manager and the Fund Manager will thereby be effectively terminated.

By Order of the Board  
**Beijing Capital Grand Limited**  
**Peng Sisi**  
*Company Secretary*

Hong Kong, 28 June 2023

*As at the date of this announcement, the Board comprises Mr. Fan Shubin (Chairman) and Mr. Xu Jian (Chief Executive Officer) as executive Directors; Mr. Wang Hao, Ms. Qin Yi, Mr. Zhou Yue and Mr. Zhao Randolph as non-executive Directors; and Mr. Yeung Chi Tat, Dr. Huang Wei and Mr. Xu Weiguo as independent non-executive Directors.*