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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 TRANSACTION RELATING TO THE OPERATION AND MANAGEMENT SERVICES AGREEMENTS

OPERATION AND MANAGEMENT SERVICES AGREEMENTS

On 22 December 2023, (a) Operation Managers A, ChinaAMC, CITIC Securities and Target Company A entered into the Operation and Management Services Agreement A, pursuant to which, among other things, Operation Managers A will provide property operation and management services in respect of Jinan Capital Outlets; and (b) Operation Managers B, ChinaAMC, CITIC Securities and Target Company B entered into the Operation and Management Services Agreement B, pursuant to which, among other things, Operation Managers B will provide property operation and management services in respect of Wuhan Capital Outlets.

LISTING RULES IMPLICATIONS

Each of Target Company A and Target Company B is an indirect wholly-owned subsidiary of BCCDG, a controlling shareholder of the Company, and therefore is a connected person of the Company pursuant to the Listing Rules. Accordingly, the Operation and Management Services Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Annual Caps under the Operation and Management Services Agreements are more than 5%, the transactions contemplated under the Operation and Management Services Agreements are subject to the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.52 of the Listing Rules, as the terms of the Operation and Management Services Agreements exceed three years, the Company has appointed the Independent Financial Adviser to explain why the Operation and Management Services Agreements require a longer term and to confirm that it is normal business practice for agreements of this type to be of such duration.

The Circular containing, amongst other things, (a) further information in relation to the Operation and Management Services Agreements; (b) the letter from the Independent Board Committee to the Independent Shareholders; (c) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Operation and Management Services Agreements and the transactions contemplated thereunder (including the Annual Caps); (d) other information as required under the Listing Rules; and (e) a notice of the EGM will be despatched to the Shareholders on or around 25 January 2024 in order to allow sufficient time for the Company to prepare the necessary information to be included in the Circular.

On 22 December 2023, (a) Operation Managers A, ChinaAMC, CITIC Securities and Target Company A entered into the Operation and Management Services Agreement A, pursuant to which, among other things, Operation Managers A will provide property operation and management services in respect of Jinan Capital Outlets; and (b) Operation Managers B, ChinaAMC, CITIC Securities and Target Company B entered into the Operation and Management Services Agreement B, pursuant to which, among other things, Operation Managers B will provide property operation and management services in respect of Wuhan Capital Outlets. The existing Operations Entrustment Agreements will be terminated by the relevant parties upon the Operation and Management Services Agreements becoming effective.

OPERATION AND MANAGEMENT SERVICES AGREEMENTS

Operation and Management Services Agreement A

The principal terms of the Operation and Management Services Agreement A are set out below:

Date

22 December 2023

Parties

- (a) the Company;
- (b) Beijing Shouju, an indirect wholly-owned subsidiary of the Company;
- (c) Beijing Shouju Jinan, the branch of Beijing Shouju in Jinan;
- (d) ChinaAMC;
- (e) CITIC Securities; and
- (f) Target Company A.

Scope of property operation and management services

Pursuant to the Operation and Management Services Agreement A, Operation Managers A will provide property operation and management services in respect of Jinan Capital Outlets including, among others, the formulation and implementation of operation and budget plans; the daily operation and management; assisting with budget management; assisting with maintenance and renovation; and assisting with the collection and management of archives and data.

Term

The Operation and Management Services Agreement A is for a term of ten years commencing from the effective date of the Operation and Management Services Agreements. The Operation and Management Services Agreements will be renewed every ten years unless otherwise terminated by the relevant parties.

Pricing basis

The Service Fees for the Operation and Management Services Agreement A were determined after negotiation among all parties on arm's length basis and on normal commercial terms, having taken into account, among others, (a) the basic service fee, to be calculated through the application of an agreed percentage (which will be within the range from 30.6% to 32.9%) to the actual operating revenue of Jinan Capital Outlets (the "**Basic Service Fees A**"); (b) the positive or negative incentive, which is discretionary in nature, based on 20% of the excess or deficit amount of the actual net operating income less the estimated net operating income of Jinan Capital Outlets for the relevant financial year (the "**Incentive A**"); (c) the estimated revenue, capital expenditure and net operating income of Jinan Capital Outlets for the term of the Operation and Management Services Agreement A with reference to the aggregate revenue, capital expenditure and net operating income of Jinan Capital Outlets in prior financial years; and (d) the prevailing market prices and service fees of similar transactions conducted by consumer type commercial complexes of similar nature and scale.

The Basic Service Fees A for each of the ten years during the term of the Operation and Management Services Agreement A will be payable quarterly within 15 working days after the receipt by Target Company A of the relevant invoices issued by Operation Managers A. The Incentive A for each of the ten years during the term of the Operation and Management Services Agreement A will be payable yearly within 15 working days after the receipt by Target Company A of the relevant invoices issued by Operation Managers A.

The Operation and Management Services Agreement A will only take effect upon (a) the obtaining of approval by the Independent Shareholders at the EGM, but in any event no earlier than the EGM; and (b) the completion of the transfer of shares in Target Company A under the Reorganisation.

Operation and Management Services Agreement B

The principal terms of the Operation and Management Services Agreement B are set out below:

Date

22 December 2023

Parties

- (a) the Company;
- (b) Beijing Shouju, an indirect wholly-owned subsidiary of the Company;
- (c) Beijing Shouju Wuhan, the branch of Beijing Shouju in Wuhan;
- (d) ChinaAMC;
- (e) CITIC Securities; and
- (f) Target Company B.

Scope of property operation and management services

Pursuant to the Operation and Management Services Agreement B, Operation Managers B will provide property operation and management services in respect of Wuhan Capital Outlets including, among others, the formulation and implementation of operation and budget plans; the daily operation and management; assisting with budget management; assisting with maintenance and renovation; and assisting with the collection and management of archives and data.

Term

The Operation and Management Services Agreement B is for a term of ten years commencing from the effective date of the Operation and Management Services Agreements. The Operation and Management Services Agreements will be renewed every ten years unless otherwise terminated by the relevant parties.

Pricing basis

The Service Fees for the Operation and Management Services Agreement B were determined after negotiation among all parties on arm's length basis and on normal commercial terms, having taken into account, among others, (a) the basic service fee, to be calculated through the application of an agreed percentage (which will be within the range from 30.4% to 32.9%) to the actual operating revenue of Wuhan Capital Outlets (the "**Basic Service Fees B**"); (b) the positive or negative incentive, which is discretionary in nature, based on 20% of the excess or deficit amount of the actual net operating income less the estimated net operating income of Wuhan Capital Outlets for the relevant financial year (the "**Incentive B**"); (c) the estimated revenue, capital expenditure and net operating income of Wuhan

Capital Outlets for the term of the Operation and Management Services Agreement B with reference to the aggregate revenue, capital expenditure and net operating income of Wuhan Capital Outlets in prior financial years; and (d) the prevailing market prices and service fees of similar transactions conducted by consumer type commercial complexes of similar nature and scale.

The Basic Service Fees B for each of the ten years during the term of the Operation and Management Services Agreement B will be payable quarterly within 15 working days after the receipt by Target Company B of the relevant invoices issued by Operation Managers B. The Incentive B for each of the ten years during the term of the Operation and Management Services Agreement B will be payable yearly within 15 working days after the receipt by Target Company B of the relevant invoices issued by Operation Managers B.

The Operation and Management Services Agreement B will only take effect upon (a) the obtaining of approval by the Independent Shareholders at the EGM, but in any event no earlier than the EGM; and (b) the completion of the transfer of shares in Target Company B under the Reorganisation.

HISTORICAL TRANSACTION AMOUNT

The Group has received management fees in the aggregate amount of approximately RMB9,562,824 in relation to the provision of property operation and management services to the Target Properties under the Operations Entrustment Agreements for the period from 22 August 2023 to 2 February 2024 (calculated based on the management fees received for the years ended 31 December 2023 and 31 December 2024 on a pro-rata basis for the relevant period). The relevant annual caps in relation to the Operations Entrustment Agreements for the years ending 31 December 2023 and 31 December 2024 are RMB21,600,000 and RMB22,200,000 in aggregate, respectively.

PROPOSED ANNUAL CAPS AND BASIS OF DETERMINATION

Pursuant to the Operation and Management Services Agreements, Operation Managers A and B will provide property operation and management services to the Target Properties, and Beijing Shouju will receive the Service Fees in return. The Annual Caps for the aggregate Service Fees payable by the Target Companies to Beijing Shouju are set out below:

| | RMB '000 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| For the period from date of the EGM (assuming the resolutions relating to the Operation and Management Services Agreements are passed at the EGM) to 31 December 2024 | 74,000 |
| For the year ending 31 December 2025 | 91,000 |
| For the year ending 31 December 2026 | 102,000 |
| For the year ending 31 December 2027 | 114,000 |
| For the year ending 31 December 2028 | 125,000 |
| For the year ending 31 December 2029 | 125,000 |
| For the year ending 31 December 2030 | 132,000 |
| For the year ending 31 December 2031 | 138,000 |
| For the year ending 31 December 2032 | 143,000 |
| For the year ending 31 December 2033 | 149,000 |
| For the period from 1 January 2034 to 2 February 2034 | 14,000 |

In determining the Annual Caps for the aggregate Service Fees, the Company has taken into account, among others, (a) the historical information of the Target Properties including, among others, the revenue, other net operating income and capital expenditure; (b) the modified scope and mode of property operation and management services to be provided to the Target Properties; (c) the pricing basis contained in the Operation and Management Services Agreements; (d) the marketing positioning and the location of the Target Properties, as well as the potential business opportunities; (e) the Company's experience in property operation and management, including the marketing strategies and management approach appropriate for the Target Properties; (f) the estimated revenue, capital expenditure and net operating income of the Target Properties for the corresponding period of each Annual Cap; (g) the estimated costs of providing the operation and management services to the Target Properties for the Group including, among others, the staff costs, marketing costs, campaign costs and other expenditure, also taking into account of the estimated inflation for the corresponding period of each Annual Cap; and (h) the optimistic scenario for the business of the Target Properties and the related resources involved in providing property operation and management services to the Target Properties on such scale.

REASONS FOR AND BENEFITS OF ENTERING INTO THE OPERATION AND MANAGEMENT SERVICES AGREEMENTS

The core business of the Company includes the holding, operation and management of outlet projects in the PRC. The Operation and Management Services Agreements have been entered into in light of the Reorganisation and the proposed consumer type real estate investment trust involving the Target Properties, which is subject to the approval of the relevant PRC authorities, and in accordance with applicable laws and regulations in the PRC. In addition, by entering into the Operation and Management Services Agreements, the Company can continue to utilise its expertise, experience and resources to manage the Target Properties and enhance the brand recognition of the Company, as well as receiving Service Fees income for the Group. This is also aligned with the Company's asset-light strategy and allows the Company to further develop its commercial complex project operation and management capabilities, and in turn strengthening the Company's leading position in the relevant industry.

Internal control measures

The Company will adopt internal control measures to ensure that the continuing connected transactions contemplated under the Operation and Management Services Agreements are carried out in accordance with the terms and conditions of such agreements, and that the terms and conditions of the Operation and Management Services Agreements are on normal commercial terms and on terms that are no less favourable than those terms available to independent third parties for similar services. The details of such measures are as follows:

1. **Ledgers:** The Company will review periodically the records of (i) repair and maintenance works performed for the Target Properties, (ii) various equipment and facilities owned by the Target Properties, and (iii) the daily work and tasks of the Target Properties' management personnels, which shall be kept in separate ledgers, so as to ensure the normal operation of the Target Properties.
2. **Account management:** The Company will keep accounts of the Target Properties on an accrual basis for the purposes of internal management and preparing the monthly financial information, which shall include, among other things, unaudited financial statements, detailed ledgers, balance sheets, income statements and cash flow statements, etc.. The Company will then be able to compare the relevant amounts in the said monthly financial information with the estimated and historical revenue and net operating income, so as to better monitor the Service Fees and ensure that the Annual Caps will not be exceeded.
3. **Market information on property management services:** The Strategic Cooperation Center of the Company will obtain market information on property management services and compare with the pricing and other terms of the transactions under the Operation and Management Services Agreements where relevant.

4. **Annual review by external auditors and independent non-executive Directors:** The independent non-executive Directors will, and the Company will engage its external auditors to, conduct annual review of the continuing connected transactions in accordance with the Listing Rules requirements.
5. **Communication and monitoring:** Designated personnel from each of the Company, Beijing Shouju, Beijing Shouju Jinan, Beijing Shouju Wuhan, ChinaAMC, CITIC Securities, Target Company A and Target Company B will be specifically assigned to ensure sufficient communication between all parties and monitor the implementation of the arrangements under the Operation and Management Services Agreements.

The Directors (excluding the independent non-executive Directors whose views will be given after considering the advice to be given by the Independent Financial Adviser and included in the letter from the Independent Board Committee to the Circular) are of the view that the Operation and Management Services Agreements were entered into in ordinary and usual course of business of the Group and the interests of the Company and the Shareholders as a whole and the terms of which (including the Annual Caps) are on normal commercial terms and fair and reasonable as far as the Independent Shareholders are concerned.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries and as of the date of this announcement, none of the Directors was considered to have a material interest in the Operation and Management Services Agreements and the transactions contemplated thereunder (including the Annual Caps) under the Listing Rules, therefore no Director was required to abstain from voting on the resolution proposed in the meeting of the Board approving the Operation and Management Services Agreements and the transactions contemplated thereunder (including the Annual Caps). However, Mr. Fan Shubin (the chairman of the Board and an executive Director of the Company) is also an executive director and the general manager of BCCDG, Mr. Xu Jian (the chief executive officer and an executive Director of the Company) is also the deputy general manager of BCCDG, and Ms. Qin Yi (a non-executive Director of the Company) is also a non-executive director and the board secretary of BCCDG, and they have voluntarily abstained from voting on the Board resolutions approving the Operation and Management Services Agreements and the transactions contemplated thereunder (including the Annual Caps).

LISTING RULES IMPLICATIONS

Each of Target Company A and Target Company B is an indirect wholly-owned subsidiary of BCCDG, a controlling shareholder of the Company, and therefore is a connected person of the Company pursuant to the Listing Rules. Accordingly, the Operation and Management Services Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Annual Caps under the Operation and Management Services Agreements are more than 5%, the transactions contemplated under the Operation and Management Services Agreements are subject to the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.52 of the Listing Rules, as the terms of the Operation and Management Services Agreements exceed three years, the Company has appointed the Independent Financial Adviser to explain why the Operation and Management Services Agreements require a longer term and to confirm that it is normal business practice for agreements of this type to be of such duration.

The Circular containing, amongst other things, (a) further information in relation to the Operation and Management Services Agreements; (b) the letter from the Independent Board Committee to the Independent Shareholders; (c) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Operation and Management Services Agreements and the transactions contemplated thereunder (including the Annual Caps); (d) other information as required under the Listing Rules; and (e) a notice of the EGM will be despatched to the Shareholders on or around 25 January 2024 in order to allow sufficient time for the Company to prepare the necessary information to be included in the Circular.

GENERAL INFORMATION ON THE PARTIES

The Company

The Company was incorporated in the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange (stock code: 1329). The Company is an investment holding company and the Group is principally engaged in commercial property development and management, with a focus on the development, operation and management of outlets-backed commercial integrated projects and non-outlets retail property projects in the PRC.

Beijing Shouju

Beijing Shouju is a company established in the PRC with limited liability and is principally engaged in the provision of business services. It is an indirect wholly-owned subsidiary of the Company.

Beijing Shouju Jinan

Beijing Shouju Jinan is the branch of Beijing Shouju in Jinan, Shandong Province, the PRC.

Beijing Shouju Wuhan

Beijing Shouju Wuhan is the branch of Beijing Shouju in Wuhan, Hubei Province, the PRC.

ChinaAMC

ChinaAMC is a company established in the PRC with limited liability and is the fund manager of the proposed consumer type real estate investment trust, and is principally engaged in asset management. China AMC is controlled by CITIC Securities and an independent third party of the Company.

CITIC Securities

CITIC Securities is a joint stock company incorporated in the PRC with limited liability whose H and A shares are respectively listed on the Main Board of the Stock Exchange (stock code: 6030) and the Shanghai Stock Exchange (stock code: 600030) and an independent third party of the Company. CITIC Securities is the manager of the asset-backed scheme of the proposed consumer type real estate investment trust, and is principally engaged in securities brokerage, investment banking and asset management.

Target Company A

Target Company A is established in the PRC with limited liability and is principally engaged in holding and management of the Jinan Capital Outlets. It is an indirect wholly-owned subsidiary of BCCDG, a controlling shareholder of the Company and wholly-owned by Capital Group, and therefore Target Company A is a connected person of the Company.

Target Company B

Target Company B is established in the PRC with limited liability and is principally engaged in holding and management of the Wuhan Capital Outlets. It is an indirect wholly-owned subsidiary of BCCDG, a controlling shareholder of the Company and wholly-owned by Capital Group, and therefore Target Company B is a connected person of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meaning ascribed to them below:

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| “Annual Cap(s)” | the proposed annual caps for the aggregate Service Fees payable by the Target Companies to Beijing Shouju for the periods as set out in the section headed “Proposed Annual Caps and Basis of Determination” in this announcement |
| “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 on 10 June 2021 with limited liability, a controlling shareholder and a connected person of the Company, and is wholly-owned by Capital Group |

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| “Beijing Capital” | Beijing Capital Commercial Management Co., Ltd.* (北京首創商業管理有限公司), a company established in the PRC with limited liability and a direct wholly-owned subsidiary of BCCDG, a controlling shareholder of the Company, and therefore a connected person of the Company |
| “Beijing Shouju” | Beijing Shouju Commercial Management Co., Ltd.* (北京首鉅商業管理有限公司), a company established in the PRC on 5 July 2023 with limited liability and an indirect wholly-owned subsidiary of the Company |
| “Beijing Shouju Jinan” | the branch of Beijing Shouju in Jinan, Shandong Province, PRC |
| “Beijing Shouju Wuhan” | the branch of Beijing Shouju in Wuhan, Hubei Province, PRC |
| “Board” | the board of Directors |
| “Capital Group” | Beijing Capital Group Co., Ltd.* (北京首都創業集團有限公司), a state-owned enterprise established in the PRC on 26 October 1994 and under the direct supervision of the Beijing Municipal Government, a connected person of the Company |
| “ChinaAMC” | China Asset Management Co. Limited (華夏基金管理有限公司), a company established in the PRC on 9 April 1998 with limited liability |
| “Circular” | the circular to be sent to the Shareholders in relation to the EGM containing, among other things, (a) further information in relation to the Operation and Management Services Agreements; (b) the letter from the Independent Board Committee to the Independent Shareholders; (c) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Operation and Management Services Agreements and the transactions contemplated thereunder (including the Annual Caps); (d) other information as required under the Listing Rules; and (e) a notice of the EGM |
| “CITIC Securities” | CITIC Securities Company Limited (中信證券股份有限公司), a joint stock company incorporated in the PRC with limited liability on 25 October 1995, the H and A shares of which are respectively listed on the Main Board of the Stock Exchange (stock code: 6030) and the Shanghai Stock Exchange (stock code: 600030) |

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| “Company” | Beijing Capital Grand Limited (首創鉅大有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1329) |
| “Director(s)” | the director(s) of the Company |
| “EGM” | the extraordinary general meeting of the Company to be convened for the Independent Shareholders to consider and, if thought fit, approve the Operation and Management Services Agreements and the transactions contemplated thereunder (including the Annual Caps) |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Independent Board Committee” | the independent committee of the Board, comprising all the independent non-executive Directors, namely Mr. Yeung Chi Tat, Dr. Huang Wei and Mr. Xu Weiguo formed for the purpose of advising the Independent Shareholders in respect of the Operation and Management Services Agreements and the transactions contemplated thereunder (including the Annual Caps) |
| “Independent Financial Adviser” | Opus Capital Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Operation and Management Services Agreements and the transactions contemplated thereunder (including the Annual Caps) |
| “Independent Shareholder(s)” | the Shareholder(s) who do not have a material interest in the Operation and Management Services Agreements and the transactions contemplated thereunder (including the Annual Caps) and are not required to abstain from voting at the EGM pursuant to the Listing Rules |
| “independent third party(ies)” | person(s) or company(ies) which is/are not connected with the Company, and is/are not connected person(s) of the Company |
| “Jinan Capital Outlets” | Jinan Capital Outlets (濟南首創奧特萊斯項目), being the properties located in Tangye New Area in the Licheng District of Jinan, with a total site area of approximately 114,929 square meters |

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| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange, as amended and modified from time to time |
| “Operations Entrustment Agreements” | (a) the operations entrustment agreement entered into between Target Company A, Beijing Capital and the Company on 10 July 2023 in relation to the provision of property operation and management services in respect of Jinan Capital Outlets; and (b) the operations entrustment agreement entered into between Target Company B, Beijing Capital and the Company on 10 July 2023 in relation to the provision of property operation and management services in respect of Wuhan Capital Outlets |
| “Operation and Management Services Agreement A” | the operation and management services agreement entered into between Operation Managers A, ChinaAMC, CITIC Securities and Target Company A on 22 December 2023 in relation to the provision of property operation and management services in respect of Jinan Capital Outlets by Operation Managers A |
| “Operation and Management Services Agreement B” | the operation and management services agreement entered into between Operation Managers B, ChinaAMC, CITIC Securities and Target Company B on 22 December 2023 in relation to the provision of property operation and management services in respect of Wuhan Capital Outlets by Operation Managers B |
| “Operation and Management Services Agreements” | Operation and Management Services Agreement A and Operation and Management Services Agreement B |
| “Operation Managers A” | the Company, Beijing Shouju and Beijing Shouju Jinan |
| “Operation Managers B” | the Company, Beijing Shouju and Beijing Shouju Wuhan |
| “Operation Managers A and B” | Operation Managers A and Operation Managers B |
| “PRC” | the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan of the People’s Republic of China |
| “Reorganisation” | the proposed reorganisation relating to the consumer type real estate investment trust involving the Target Properties |
| “RMB” | Renminbi, the lawful currency of the PRC |

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| “Service Fees” | the service fees payable by (a) Target Company A to Beijing Shouju under the Operation and Management Services Agreement A; or (b) Target Company B to Beijing Shouju under the Operation and Management Services Agreement B (as the case may be) |
| “Shareholder(s)” | holder(s) of the share(s) of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Target Company A” | Jinan Shouju Real Estate Ltd.* (濟南首鉅置業有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of BCCDG, and therefore a connected person of the Company |
| “Target Company B” | Wuhan Capital Juda Outlets Business Management Limited* (武漢首創鉅大奧萊商業管理有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of BCCDG, and therefore a connected person of the Company |
| “Target Companies” | Target Company A and Target Company B |
| “Target Properties” | Jinan Capital Outlets and Wuhan Capital Outlets |
| “Wuhan Capital Outlets” | Wuhan Capital Outlets (武漢奧特萊斯項目), being the properties located in Wuhan East Lake High-tech Development Zone in Wuhan, with a total site area of approximately 88,453 square meters |
| “%” | per cent. |

In this announcement, unless the context requires otherwise, the terms “applicable percentage ratio(s)” “connected person(s)”, “continuing connected transaction(s)”, “controlling shareholder(s)” and “subsidiary(ies)” shall have the meanings given to such terms in the Listing Rules.

** The English name is a translation of its Chinese name and is included for identification purposes only.*

By Order of the Board
Beijing Capital Grand Limited
Xu Jian
Executive Director and Chief Executive Officer

Hong Kong, 29 December 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.