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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)**

**DISCLOSEABLE TRANSACTION**  
**DISPOSAL OF EQUITY INTERESTS**

The Board is pleased to announce that on 8 January 2019, Shanghai Juque and the Purchaser entered into the Equity Exchange Contract, pursuant to which Shanghai Juque agreed to sell and the Purchaser agreed to acquire 30% equity interests in the Target Company at a consideration of RMB74,840,700. Upon the Completion, Shanghai Juque will cease to hold any equity interest in the Target Company.

As one or more of the applicable Percentage Ratios exceed 5% but is less than 25%, the transaction contemplated under the Equity Exchange Contract constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

**INTRODUCTION**

The Board is pleased to announce that on 8 January 2019, Shanghai Juque and the Purchaser entered into the Equity Exchange Contract, pursuant to which Shanghai Juque agreed to sell and the Purchaser agreed to acquire 30% equity interests in the Target Company at a consideration of RMB74,840,700. Upon the Completion, Shanghai Juque will cease to hold any equity interest in the Target Company.

**EQUITY EXCHANGE CONTRACT**

Date: 8 January 2019

Parties: (1) Shanghai Juque (as Vendor); and  
(2) Culture and Tourism Investment (as Purchaser).

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Group and its connected persons.

Assets to be disposal of: 30% equity interests in the Target Company

Consideration: Pursuant to the Equity Exchange Contract, Shanghai Juke has agreed to sell and the Purchaser agreed to acquire 30% equity interest in the Target Company at a consideration of RMB74,840,700 which shall be paid within five business days upon the execution of the Equity Exchange Contract. Upon the Completion, Shanghai Juke will cease to hold any equity interest of the Target Company.

The consideration was determined based on the quoted prices of the China Beijing Equity Exchange with reference to the asset appraisal report of the Target Company prepared by an independent professional valuer (the value of the entire interest with 30 November 2017 being the valuation reference date was approximately RMB273,873,800).

#### **INFORMATION ON THE TARGET COMPANY**

The Target Company was established under the law of the PRC on 28 July 2015 with limited liability. As at the date of this announcement, the registered capital of the Target Company was RMB280,020,000. The Target Company is mainly engaged in the development of the outlets project in Changsha Xiangjiang Joy City. As at the date of this announcement, Shanghai Juke holds 30% equity interest in the Target Company, of which RMB73,300,000 registered capital has been paid-up.

The audited financial information for the two years ended 31 December 2016 and 2017 of the Target Company, prepared in accordance with the accounting standards of the PRC, is as follows:

	For the year ended 31 December 2016 (RMB)	For the year ended 31 December 2017 (RMB)
Loss (before and after tax)	–	<b>(136,921.14)</b>

The audited net assets of the Target Company as at 31 December 2017 is approximately RMB269,177,000.

## **USE OF PROCEEDS FROM THE DISPOSAL AND FINANCIAL EFFECTS**

The proceeds from the Disposal will be used as the general working capital of the Company. It is expected that the unaudited profit before taxation of approximately RMB1,540,700 will be recorded by the Company from the Disposal.

## **INFORMATION ON THE COMPANY AND 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, with a focus on the development, operation and management of outlets-backed commercial integrated projects and non-outlets retail property projects in the PRC, details of which have been disclosed in the circular of the Company dated 14 November 2018.

### **Shanghai Juque**

Shanghai Juque is a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company.

### **Culture and Tourism Investment**

Culture and Tourism Investment is a company incorporated under the laws of the PRC with limited liability and is principally engaged in development and operation of culture and tourism business.

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

The Board is of the view that the Disposal will be beneficial to the Company in optimising its project assets, enhancing its operating and revenue efficiency and increasing its liquidity.

The Board considers that the terms of the Equity Exchange Contract and the transaction contemplated thereunder are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable Percentage Ratios exceed 5% but is less than 25%, the transaction contemplated under the Equity Exchange Contract constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

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

“Board”	the board of Directors
“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)
“Completion”	the date of the completion of the closing procedures by the Purchaser and the Vendor in respect of the Disposal
“Connected Person(s)”	has the meaning ascribed to it under the Listing Rules
“Culture and Tourism Investment” or “Purchaser”	Hunan Xiangjiang District Culture and Tourism Investment Co., Ltd.* (湖南湘江新區文化旅遊投資有限公司), a company incorporated under the laws of the PRC with limited liability
“Directors”	the director(s) of the Company
“Disposal”	the transaction contemplated under the Equity Exchange Contract in respect of the disposal of 30% equity interest in the Target Company
“Equity Exchange Contract”	the equity exchange contract entered into between Shanghai Juque (as Vendor) and Culture and Tourism Investment (as Purchaser) to transfer 30% equity interest in the Target Company on 8 January 2019
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange
“Percentage Ratios”	the percentage ratios as defined in rule 14.04(9) of the Listing Rules
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Juque” or “Vendor”	Shanghai Juque Investment Management Limited* (上海鉅譽投資管理有限公司), a company incorporated in the PRC with limited liability, a wholly-owned subsidiary of the Company

“Shareholders”	holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“Target Company”	Changsha Joy City Investment Co., Ltd.* (長沙歡樂天街投資有限公司), a company incorporated under the laws of the PRC with limited liability
“%”	per cent

By Order of the Board  
**Beijing Capital Grand Limited**  
**Lee Sze Wai**  
*Company Secretary*

Hong Kong, 8 January 2019

*As at the date of this announcement, the Board comprises Mr. Zhong Beichen (Chairman) and Mr. Feng Yujian (Chief Executive Officer) as executive Directors; Mr. Wang Hao, Ms. Qin Yi, Mr. Wang Honghui 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.*

\* *For identification purpose only and should not be regarded as the official English translation of the Chinese names. In the event of any inconsistency, the Chinese name prevails.*