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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)

PROPOSED ADOPTION OF THE NEW ARTICLES OF ASSOCIATION

This announcement is made by Beijing Capital Grand Limited (the “**Company**”) pursuant to Rule 13.51(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong (the “**Listing Rules**”).

The board of directors of the Company (the “**Board**”) proposes to adopt a new set of Articles of Association of the Company (the “**New Articles of Association**”) in order to bring the existing Articles of Association of the Company (the “**Existing Articles of Association**”) in line with Appendix 3 of the Listing Rules effective from 1st January 2022 onward, other amendments to the Listing Rules and the applicable laws of the Cayman Islands, as well as to increase the flexibility of the Company’s conduct of meetings.

The major proposed amendments to the Existing Articles of Association (the “**Proposed Amendments**”) in the New Articles of Association are summarized as follow:

1. to expressly exclude the application of Sections 8 and 19 of the Electronic Transactions Act of the Cayman Islands;
2. to make clear that the right of a shareholder to speak at an electronic meeting or a hybrid meeting shall include the right to raise questions or make statements to the chairman of the meeting by means of electronic facilities;
3. to allow the Board to accept the surrender for no consideration of any fully paid shares;
4. to remove the provision that where the Company purchases for the redemption of a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price, and that where purchases are by tender, tenders shall be available to all shareholders alike;
5. to provide that the necessary quorum for a class meeting as well as at the adjourned meeting of the class meeting shall be two persons holding or representing by proxy not less than one-third of the issued shares of that class;
6. to clarify that no shares may be issued at a discount to their nominal value;

7. to allow the seal of the Company to be affixed or imprinted to a share certificate with the authority of the directors of the Company (“**Directors**”);
8. to provide that the register of members of the Company may, after notice has been given in accordance with the New Articles of Association, be closed at such times or for such periods not exceeding in the whole 30 days in each year as the Board may determine and either generally or in respect of any class of shares and the said period of 30 days may be extended for a further period or periods not exceeding 30 days in respect of any year if approved by shareholders by ordinary resolution;
9. to remove the requirement that the record date for determining shareholders’ entitlement to dividend to be on, or at any time not more than thirty days before or after any date on which such dividend is declared, paid or made;
10. to provide that the Company shall not sell any shares of a shareholder who is untraceable unless the Company has given notice of its intention to sell such shares to, and caused advertisement both in daily newspaper and in a newspaper circulating in the area of the last known address of such shareholder or any person entitled to the share;
11. an annual general meeting of the Company shall be held for each financial year and such annual general meeting must be held within six months after the end of the Company’s financial year;
12. to provide that the notice period for an annual general meeting and all other general meetings of the Company including an extraordinary general meeting shall be at least 21 clear days and 14 clear days respectively;
13. to explicitly allow the Company to hold a physical, hybrid or electronic meetings of shareholders and to hold such meetings at one or more locations, and to include provisions governing the conduct of such meetings;
14. to provide that Directors may, after the sending of notice of a general meeting or after the adjournment of a meeting, if in their absolute discretion consider that it is inappropriate for any reason to hold the general meeting on the date or at the time or place or by means of electronic facilities specified in the notice, change or postpone any general meeting to another date, time and/or place and/or change the electronic facilities and/or change the form of the meeting (a physical meeting, an electronic meeting or a hybrid meeting) without approval from shareholders;
15. to provide that, for quorum purposes only, two persons appointed by the clearing house as authorised representative or proxy shall form a quorum for all purposes;
16. to provide that votes (whether on a show of hands or by way of poll) may be cast at a general meeting by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine;
17. to provide for shareholders’ right to speak and vote at a general meeting except where a shareholder is required by the Listing Rules to abstain from voting to approve the matter under consideration;

18. to provide that all resolutions put to the vote of a meeting must be decided by way of a poll save that in the case of a physical meeting, 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;
19. to enable proxy instruments to be returned to the Company by electronic means at the discretion of the Company;
20. to provide that any Director appointed by the Board shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election;
21. to provide that the Company shall not make any loan, directly or indirectly, to a Director or his associate(s) if and to the extent it would be prohibited by the Companies Ordinance (Chapter 622 of the laws of Hong Kong) as if the Company were a company incorporated in Hong Kong and such requirement shall only have effect for so long as the shares of the Company are listed on The Stock Exchange of Hong Kong Limited;
22. to allow notice of a meeting of the Board to be given by electronic means;
23. to allow a notification of consent to a written resolution of Directors to be given by a Director in writing to the Board by any means (including by means of electronic communication) and such shall be deemed to be his/her signature to such resolution in writing for the purpose of the New Articles of Association;
24. to allow the appointment of more than one chairman of the Board;
25. to empower the Board to capitalise certain reserves of the Company, including share premium, to pay up unissued shares to be allotted to employees or trustee in connection with the operation of any share incentive scheme or employee benefit scheme that has been adopted or approved by shareholders at a general meeting;
26. to provide that the remuneration of the auditor shall be fixed by an ordinary resolution passed at a general meeting or in such manner as the shareholders may by ordinary resolution determine;
27. to provide that shareholders may at any general meeting remove the auditor by ordinary resolution at any time before the expiration of his term of office;
28. to provide that the Directors may fill any casual vacancy in the office of auditor but while any such vacancy continues the surviving or continuing auditor or auditors, if any, may act. The remuneration of the auditor appointed by the Directors as such may be fixed by the Board. The auditor appointed by the Board shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by shareholders at such remuneration to be determined by the shareholders;
29. to allow that every shareholder or a person who is entitled to receive notice from the Company may register with the Company an electronic address to which notices can be served upon him;

30. to allow the Company to issue notice, document or publication in the English language only or in both the English language and the Chinese language or, with the consent of or election by any shareholder, in the Chinese language only to such shareholder;
31. to clarify that the Company may indemnify past Directors, secretary, other officers and the auditor of the Company; and
32. to provide other house-keeping amendments to the Existing Articles of Association including the removal of inoperative definitions and provisions, various consequential amendments made in line with the New Articles of Association, as well as the updating of certain provisions where the Board considers appropriate in accordance with or to better align with the wording to the applicable laws of Cayman Islands and the Listing Rules currently in force.

At the forthcoming annual general meeting of the Company (the “**AGM**”), a special resolution will be proposed to the shareholders of the Company (the “**Shareholders**”) to consider and, if thought fit, approve the proposed adoption of the New Articles of Association.

A circular containing, among others, further information of the Proposed Amendments together with the notice of the AGM will be despatched to the Shareholders in due course.

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

Beijing, 21 March 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; Dr. Ngai Wai Fung, Ms. Zhao Yuhong and Mr. He Xiaofeng as independent non-executive Directors.