



IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

Neutral Citation Number: [2025] CIGC (FSD) 6

CAUSE NO. FSD 342 OF 2024 (DDJ)

IN THE MATTER OF SECTIONS 15 AND 86 OF THE COMPANIES ACT (AS REVISED)

AND IN THE MATTER OF ORDER 102 OF THE GRAND COURT RULES 2023 (AS REVISED)

AND IN THE MATTER OF BEIJING CAPITAL GRAND LIMITED 首創鉅大有限公司

Before: The Hon. Justice David Doyle

Appearances: Tonicia Williams of Conyers Dill & Pearman LLP, for Beijing Capital Grand Limited

Heard: 21 January 2025

Ex Tempore Judgment delivered: 21 January 2025

Draft Transcript of Ex Tempore Judgment circulated: 21 January 2025

Transcript approved: 24 January 2025

Determination of application for court sanction of a scheme of arrangement and confirmation of a capital reduction and approval of minute

250121 Beijing Capital Grand Limited – FSD 342 of 2024 (DDJ) - Judgment

JUDGMENT**Introduction**

1. I shall now deliver a short judgment in respect of this matter.
2. Beijing Capital Grand Limited (the “Company”) applies by Petition dated 25 November 2024 for sanction by the Court of a scheme of arrangement under section 85 of the Companies Act (2023 Revision) (the “Scheme”).
3. I record that I have considered the hearing bundle filed with the Court together with the skeleton arguments dated 4 December 2024 and 13 January 2025. I also benefit from the helpful oral submissions of Tonicia Williams who is the author of the skeleton arguments and has appeared before the Court today on behalf of the Company. I am grateful to her for her assistance to the Court. It is most appreciated.

Compliance with Order of 5 December 2024

4. I am satisfied that the Order made on 5 December 2024 has been duly complied with.

No opposition

5. There is no opposition to the relief claimed in the Petition.

The Scheme

6. In respect of the Scheme, I am satisfied that:
 - (1) the Scheme is a Scheme of Arrangement within section 86 of the Companies Act (2023 Revision) (the “Act”);
 - (2) the Scheme documents provide the necessary information;

- (3) the meeting was properly held and the statutory majorities were met;
- (4) there was fair and adequate representation of the Scheme Shareholders and the majority were acting *bona fide*. There is no question of any coercion being exercised against the minority; and
- (5) the Scheme is fair.

The Capital Reduction

7. In respect of the capital reduction, I am satisfied that:
 - (1) the Company has power to reduce its share capital (see Article 6);
 - (2) a valid resolution was passed approving the capital reduction;
 - (3) the creditors have been adequately protected;
 - (4) the shareholders have been treated equitably; and
 - (5) the capital reduction is part and parcel of the Scheme and is for discernible purpose.

The Order

8. I am content to make an Order substantially in terms of the draft helpfully filed before the hearing. Counsel to email an updated draft to my PA before 3 pm this afternoon, incorporating the amendments I specified during the hearing. In particular, the words “*which is hereby approved by the Court*” need to be added at paragraph 3. See section 17(1) of the Companies Act.
9. The following order was granted:

“UPON the petition of Beijing Capital Grand Limited 首創鉅大有限公司 dated 25 November 2024 for sanction of its scheme of arrangement (the “Scheme”);

250121 Beijing Capital Grand Limited – FSD 342 of 2024 (DDJ) - Judgment

AND UPON reading the first and second affirmations of Yeung Chi Tat (affirmed on 25 November 2024 and 4 December 2024 respectively); the first affirmation of Chan Lai Chung Rachel (affirmed on 25 November 2024); the first affirmation of Ho Mei Ling (affirmed on 18 December 2024) the third affirmation of Yeung Chi Tat (affirmed on 13 January 2025); the exhibits thereto; and the Petitioner’s skeleton argument dated 13 January 2025;

AND UPON BECL Investment Holding Limited and BGC Chinastar International Investment Limited undertaking to the Court by their letters respectively dated 25 November 2024 that they will respectively be bound by the Scheme and will execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable for the purpose giving effect to the Scheme.

IT IS HEREBY ORDERED that:

1. The Scheme as exhibited to the first affirmation of Ho Mei Ling at HML-1 is hereby sanctioned pursuant to section 86 of the Companies Act (2023 Revision).
2. The special resolution authorising the capital reduction of the Company by the extraordinary general meeting dated 10 January 2025 is confirmed.
3. This Order be produced to the Registrar of Companies and that an office copy hereof be delivered to him together with a copy of the attached Schedule “A” in respect of the capital reduction of the Company, which is hereby approved by the court;
4. Notice of the registration by the Registrar of Companies of this Order and of the said Schedule be published once in the first available Cayman Gazette and once in the Hong Kong South China Morning Post newspaper in English and once in the Hong Kong Economic Journal newspaper in Chinese within 21 days of such registration;
5. No order as to costs; and
6. Liberty to apply.

DATED the 21 day of January 2025

FILED the 21 day of January 2025

Schedule "A"

The issued ordinary shares of par value HK\$0.01 each (the "Shares") in the share capital of Beijing Capital Grand Limited 首創鉅大有限公司 was by virtue of a Special Resolution passed on 10 January 2025 and with the sanction of an Order of the Grand Court of the Cayman Islands dated 21 January 2025 reduced from HK\$12,651,821.85 divided into 1,265,182,185 Shares to HK\$7,211,538.46 divided into 721,153,846 Shares (the "Capital Reduction"). Simultaneously with the Capital Reduction, the issued Shares in the share capital of Beijing Capital Grand Limited 首創鉅大有限公司 was restored to HK\$12,651,821.85 by allotting and issuing to BECL INVESTMENT HOLDING LIMITED, credited as fully paid at par, 544,028,339 Shares.

The authorised share capital of the Company is HK\$200,000,000 divided into 20,000,000,000 shares of par value HK\$0.01 each comprised of (i) 18,355,918,048 ordinary shares of HK\$0.01 par value each, (ii) 738,130,482 Class A limited-voting non-redeemable convertible preference shares of par value HK\$0.01 each; and (iii) 905,951,470 Class B limited-voting non-redeemable convertible preference shares of par value HK\$0.01 each."

David Doyle

The Hon. Justice David Doyle
Judge of the Grand Court