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EVERBRIGHT GRAND CHINA ASSETS LIMITED
光大永年有限公司

(Incorporated in the British Virgin Islands with limited liability and transferred by way of continuation into the Cayman Islands)
(Stock code: 3699)

VOLUNTARY ANNOUNCEMENT
NOTICE OF LITIGATION PROCEEDINGS

This announcement is made by Everbright Grand China Assets Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis for the purpose of keeping the Shareholders and potential investors informed of the latest litigation proceedings of the Group.

On 24 July 2019, China Bohai Bank Chengdu Branch (the “**Plaintiff**”) filed two actions in the Chengdu City Qingyang District People’s Court (成都市青羊區人民法院) against Chengdu Everbright Finance Centre Development Company Limited (成都光大金融中心項目開發有限公司) and Chengdu Everbright Property Management Co., Ltd (成都光大物業管理有限公司) (collectively as “**Chengdu Everbright**”, the “**Defendants**”), who are the indirect wholly owned subsidiaries of the Company, claiming (i) compensation for over-charging rent of approximately RMB3.72 million plus interest; and (ii) compensation for over-charging property management fees of approximately RMB0.61 million plus interest (collectively, “**Relevant Lawsuits**”). On 22 August 2019, the Company received the notice of the Relevant Lawsuits.

The Company has consulted its legal advisors (the “**Litigation Legal Advisor**”) on the merits of the Relevant Lawsuits. The Litigation Legal Advisor is of the view that the merits of the Plaintiff’s claim are generally weak.

Based on the advice of the Litigation Legal Advisor, the Board considers that the results of the Relevant Lawsuits will have no material adverse effect on the business, results of operations and financial conditions of the Group.

The Company has formally engaged the Litigation Legal Advisor to defend the Defendants against the Relevant Lawsuits and shall keep its shareholders further informed of any material developments in this regard.

By Order of the Board
Everbright Grand China Assets Limited
LIU Jia
Chairman

Hong Kong, 5 September 2019

As at the date of this announcement, the Board comprises Mr. Liu Jia and Mr. Lin Zimin as executive Directors; Ms. Tse Hang Mui and Mr. Li Yinzong as non-executive Directors; and Mr. Tsoi David, Mr. Shek Lai Him Abraham, Mr. Lee Jor Hung and Ms. Yu Pauline Wah Ling as independent non-executive Directors.