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Kunpeng Asia Limited

*(A company incorporated in Hong Kong
with limited liability)*

Zhejiang New Century Hotel Management Co., Ltd.

浙江開元酒店管理股份有限公司

*(A joint stock company incorporated in the People's
Republic of China with limited liability)*

(Stock code: 1158)

JOINT ANNOUNCEMENT

**VOLUNTARY CONDITIONAL OFFER BY UBS ON BEHALF OF THE OFFEROR
FOR ALL THE ISSUED H SHARES IN
ZHEJIANG NEW CENTURY HOTEL MANAGEMENT CO., LTD.
(OTHER THAN THOSE ALREADY OWNED, CONTROLLED OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND THE OFFEROR CONCERT
PARTIES WHO HAVE UNDERTAKEN NOT
TO ACCEPT THE H SHARE OFFER)**

**VOLUNTARY CONDITIONAL OFFER BY THE OFFEROR FOR ALL THE ISSUED
DOMESTIC SHARES IN ZHEJIANG NEW CENTURY HOTEL MANAGEMENT CO.,
LTD. (OTHER THAN THOSE ALREADY OWNED, CONTROLLED OR AGREED TO BE
ACQUIRED BY THE OFFEROR AND THE OFFEROR CONCERT PARTIES WHO HAVE
UNDERTAKEN NOT TO ACCEPT THE DOMESTIC SHARE OFFER)**

SPECIAL DEAL RELATING TO THE SHAREHOLDERS ARRANGEMENT

AND

**PROPOSED WITHDRAWAL OF LISTING OF THE H SHARES OF
ZHEJIANG NEW CENTURY HOTEL MANAGEMENT CO., LTD.**

POLL RESULTS OF THE H SHARE CLASS MEETING AND THE EGM

Financial Adviser to the Offeror



References are made to (i) the announcement dated 20 January 2021 jointly issued by Kunpeng Asia Limited (the “**Offeror**”) and Zhejiang New Century Hotel Management Co., Ltd. (the “**Company**”) relating to, among other things, the pre-conditional voluntary conditional offer by UBS AG on behalf of the Offeror for all the issued H Shares of the Company (other than those already owned, controlled or agreed to be acquired by the Offeror and the Offeror Concert Parties who have undertaken not to accept the H Share Offer) and the pre-conditional voluntary conditional offer by the Offeror for all the issued Domestic Shares of the Company (other than those already owned, controlled or agreed to be acquired by the Offeror and the Offeror Concert Parties who have undertaken not to accept the Domestic Share Offer); (ii) the announcement dated 5 February 2021 jointly issued by the Offeror and the Company in relation to the satisfaction of the Pre-Condition; (iii) the composite document dated 19 March 2021 jointly issued by the Offeror and the Company in relation to, among other things, the voluntary conditional offer by UBS AG on behalf of the Offeror for all the issued H Shares of the Company (other than those already owned, controlled or agreed to be acquired by the Offeror and the Offeror Concert Parties who have undertaken not to accept the H Share Offer) and the voluntary conditional offer by the Offeror for all the issued Domestic Shares of the Company (other than those already owned, controlled or agreed to be acquired by the Offeror and the Offeror Concert Parties who have undertaken not to accept the Domestic Share Offer) (the “**Composite Document**”); and (iv) the announcement dated 19 March 2021 jointly issued by the Offeror and the Company in relation to the despatch of the Composite Document. Capitalised terms used herein shall have the same meanings as those defined in the Composite Document, unless the context herein requires otherwise.

RESULTS OF THE H SHARE CLASS MEETING AND THE EGM

The Offeror and the Company are pleased to announce that (i) the special resolution to approve the Delisting by the Independent H Shareholders was passed by way of poll at the H Share Class Meeting held on 13 April 2021; and (ii) the special resolution to approve the Delisting and the ordinary resolution to approve the Shareholders Arrangement by the Independent H Shareholders were passed by way of poll at the EGM held on 13 April 2021.

The H Share Class Meeting and the EGM were held at Wonderland Conference Room, 4th Floor, No. 379 Dongning Road, Pengbu Street, Jianggan District, Hangzhou City, Zhejiang Province, the PRC.

In compliance with the requirements of the Listing Rules and Rule 2.9 of the Takeovers Code, Tricor Investor Services Limited, the H Share Registrar, acted as the scrutineer for the vote-taking at the H Share Class Meeting and the EGM.

The poll results in respect of the H Shares Class Meeting and the EGM, respectively, are as follows:

(i) Results of the H Share Class Meeting

No.	Special Resolution	Number of Votes Cast (%)		
		For	Against	Abstain
1.	<p>THAT:</p> <p>(a) subject to minimum valid acceptances of the H Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) amounting to at least 90% of the H Shares held by the Independent H Shareholders, the Delisting be and is hereby approved; and</p> <p>(b) any director of the Company be and is hereby authorised to take such other action and execute such documents or deeds as he may consider necessary or desirable for the purpose of implementing the Delisting.</p>	<p>48,215,000 (100.0%)</p>	<p>0 (0.00%)⁽¹⁾ (0.00%)⁽²⁾</p>	<p>0 (0.00%)</p>

Notes:

1. Based on the total number of votes attaching to all the H Shares held by the Independent H Shareholders cast in person or by proxy at the H Share Class Meeting.
2. Based on the total number of votes attaching to all the H Shares held by the Independent H Shareholders.

The total number of H Shares entitling the Independent H Shareholders to attend and vote for or against the resolution at the H Share Class Meeting was 52,820,000 H Shares. There were no H Shares entitling the Independent H Shareholders to attend but abstain from voting in favour at the H Share Class Meeting as set out in Rule 13.40 of the Listing Rules.

No Independent H Shareholder was required under the Listing Rules to abstain from voting on the special resolution at the H Share Class Meeting. Other than the parties acting in concert with the Offeror who have abstained from voting at the H Share Class Meeting, no person has indicated in the Composite Document his/her/its intention to abstain from voting on or to vote against the special resolution at the H Share Class Meeting. Independent H Shareholders and authorised proxies holding an aggregate of 48,215,000 H Shares, representing approximately 91.28% of the total number of the votes attaching to all the H Shares held by the Independent H Shareholders were present at the H Share Class Meeting. Exempt principal traders within the UBS group did not exercise the voting rights attached to the H Shares held in their names in respect of the special resolution at the H Share Class Meeting.

With respect to the special resolution at the H Share Class Meeting, since more than 75% of the votes attaching to the H Shares held by the Independent H Shareholders present in person or by proxy at the H Share Class Meeting were cast in favour of resolution and the number of votes cast against the resolution amounted to not more than 10% of the votes attaching to all the H Shares held by the Independent H Shareholders, the special resolution was passed by way of poll at the H Share Class Meeting.

(ii) Results of the EGM

No.	Special Resolution	Number of Votes Cast (%)		
		For	Against	Abstain
1.	<p>THAT:</p> <p>(a) subject to minimum valid acceptances of the H Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) amounting to at least 90% of the H Shares held by the Independent H Shareholders, the Delisting be and is hereby approved; and</p> <p>(b) any director of the Company be and is hereby authorised to take such other action and execute such documents or deeds as he may consider necessary or desirable for the purpose of implementing the Delisting.</p>	<p>48,460,200 (100.0%)</p>	<p>0 (0.00%)⁽¹⁾ (0.00%)⁽²⁾</p>	<p>0 (0.00%)</p>

No.	Ordinary Resolution	Number of Votes Cast (%)		
		For	Against	Abstain
2.	THAT , the Shareholders Arrangement, which constitutes a special deal under Rule 25 of the Takeovers Code, be and is hereby approved.	48,460,200 (100.0%)	0 (0.00%)	0 (0.00%)

Notes:

1. Based on the total number of votes attaching to all the H Shares held by the Independent H Shareholders cast in person or by proxy at the EGM.
2. Based on the total number of votes attaching to all the H Shares held by the Independent H Shareholders.

The number of H Shares entitling the Independent H Shareholders to attend the EGM and to vote for or against the above resolutions at the EGM was 52,820,000 H Shares. There were no H Shares entitling the Independent H Shareholders to attend but abstain from voting in favour at the EGM as set out in Rule 13.40 of the Listing Rules.

No Independent H Shareholder was required under the Listing Rules to abstain from voting on the resolutions at the EGM. Other than the parties acting in concert with the Offeror who have been abstained from voting in the EGM, no person has indicated in the Composite Document his/her/its intention to abstain from voting on or to vote against any of the proposed resolutions at the EGM. Independent H Shareholders and authorised proxies holding an aggregate of 48,460,200 H Shares, representing approximately 91.75% of the total number of the votes attaching to all the H Shares held by the Independent H Shareholders were present at the EGM. Exempt principal traders within the UBS group did not exercise the voting rights attached to the H Shares held in their names in respect of the resolutions at the EGM.

With respect to the special resolution at the EGM, since more than 75% of the votes attaching to the Shares held by the Independent H Shareholders present in person or by proxy at the EGM were cast in favour of the resolution and the number of votes cast against the resolution amounted to not more than 10% of the votes attaching to all the Shares held by the Independent H Shareholders, the special resolution was passed by way of poll at the EGM.

With respect to the ordinary resolution at the EGM, since more than 50% of the votes attaching to the Shares held by the Independent H Shareholders present in person or by proxy at the EGM were cast in favour of the resolution, the ordinary resolution was passed by way of poll at the EGM.

OUTSTANDING CONDITIONS AND THE CLOSING DATE

The Independent H Shareholders are reminded that the H Share Offer remains conditional on, among other things, minimum valid acceptances of the H Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) amounting to at least 90% of the H Shares held by the Independent H Shareholders (the “**Acceptance Condition**”).

As at 4:30 p.m. of the date of this joint announcement, valid acceptances of the H Share Offer had been received in respect of 44,577,800 H Shares, representing approximately 84.40%, 63.68% and 15.92% of the H Shares held by the Independent H Shareholders, the issued H Shares and the issued Shares, respectively, as at the date of this joint announcement. As at 4:30 p.m. on the date of this joint announcement, the Domestic Share Offer has been accepted in full, and valid acceptances of the Domestic Share Offer had been received in respect of 25,959,477 Domestic Shares, representing approximately 16.26% and 9.27% of the issued Domestic Shares and the issued Shares, respectively, as at the date of this joint announcement.

Before the commencement of the Offer Period, the Offeror did not hold any Shares, and the Offeror Concert Parties held an aggregate of 227,180,000 Shares, representing approximately 81.14% of the Shares in issue. As at the date of this joint announcement, save for New Century Tourism, Kairui Shiqi and Qianhe Qiju who have accepted the Domestic Share Offer, no other Offeror Concert Parties have accepted the Offers.

Save for the Shares to be acquired under the Offers, none of the Offeror and parties acting in concert with it has (i) acquired or agreed to acquire any Shares or the rights over Shares during the Offer Period; or (ii) borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period.

The Executive has issued its consent under Rule 25 of the Takeovers Code in relation to the Shareholders Arrangement, subject to the passing of an ordinary resolution by the Independent H Shareholders at the EGM to approve the Shareholders Arrangement under the Takeovers Code. Accordingly, condition (h) of the H Share Offer as described in the Composite Document has been fulfilled.

As at the date of this joint announcement, conditions (a), (b), (h) and (i) of the H Share Offer as described in the Composite Document have been fulfilled. Condition (c) (being the Acceptance Condition), together with conditions (d), (e), (f) and (g) remain outstanding. The Offeror is not aware of any events that would lead to conditions (d), (e), (f) and (g) of the Conditions not being fulfilled. The Offeror has the right to waive any of the conditions (except for the conditions (a), (b), (c), (d), (e), (h) and (i)). Except with the consent of the Executive, if any of those conditions is not satisfied within 21 days of the First Closing Date or the date the H Share Offer becomes or is declared unconditional as to acceptances, whichever is later, the H Share Offer will lapse.

The Independent H Shareholders are reminded that unless the H Share Offer becomes or is declared unconditional as to acceptance on or before Monday, 19 April 2021, or is revised or extended, the latest time and date for acceptance of the H Share Offer will be 4:00 p.m. on Monday, 19 April 2021. The Independent H Shareholders are further reminded to pay attention to, and to consult (if necessary) a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser to confirm, the deadline for accepting the H Share Offer, which might be before 4:00 p.m. on Monday, 19 April 2021.

The Domestic Share Offer is subject to the H Share Offer becoming or being declared unconditional in all respects. This condition cannot be waived in any event.

The Offeror and the Company will issue an announcement, stating whether the H Share Offer has been extended, has expired or has become or been declared unconditional (as to acceptances) by 7:00 p.m. on Monday, 19 April 2021.

WITHDRAWAL OF LISTING

The Company has made an application for the Delisting in accordance with Rule 6.12 of the Listing Rules. On the assumption that the H Share Offer becomes unconditional in all respects on or before Monday, 19 April 2021, it is currently expected that the voluntary withdrawal of listing of the H Shares from the Stock Exchange would happen at 9:00 a.m. on Monday, 24 May 2021, subject to the satisfaction of any conditions for the Delisting from the Stock Exchange, and receipt of any regulatory approvals required for such Delisting. H Shareholders will be notified by way of an announcement of the dates of the last day for dealing in the H Shares and on which the Delisting will become effective.

SUBSEQUENT OFFER PERIOD

The Shareholders should note that, if the Offers become or are declared unconditional on Monday, 19 April 2021, the Offers should remain open for acceptance for not less than 28 days thereafter in compliance with the note to Rule 2.2 and Rule 15.3 of the Takeovers Code. At least 14 days' notice in writing must be given before the Offers are closed to the Shareholders who have not accepted the Offers if the announcement to extend the Offers does not state the next closing date. The Offeror reserves the right to extend the Offers beyond this 28-day period.

WARNING

The Offers are conditional upon the satisfaction (or, where applicable, waiver) of the Conditions in all aspects. Accordingly, the Offers may or may not become unconditional. Shareholders and/or potential investors of the Company should therefore exercise caution when dealing in the securities of the Company (including H Shares and any options or rights in respect of them). Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

By order of the board of
Kunpeng Asia Limited
JIANG Tianyi
Director

By order of the Board of
Zhejiang New Century Hotel Management Co., Ltd.
JIN Wenjie
Chairman and Executive Director

The PRC, 13 April 2021

As at the date of this joint announcement, the sole director of the Offeror is Mr. Jiang Tianyi.

The sole director of the Offeror accepts full responsibility for the accuracy of the information (other than that relating to the Group, Ocean Link and Sequoia China) contained in this joint announcement and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Company, Ocean Link and Sequoia China) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of Ocean Link is Mr. Jiang Tianyi.

The sole director of Ocean Link and Mr. Zheng Nanyan jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Group and Sequoia China) contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Company and Sequoia China) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the directors of Sequoia China are Mr. Don Seymour, Mr. Don Wayne Ebanks and Ms. Siu Wai Eva IP.

The directors of Sequoia China and Mr. Shen Nanpeng jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Group and Ocean Link) contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Company and Ocean Link) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the Board comprises Mr. JIN Wenjie and Mr. CHEN Miaoqiang as executive Directors; Mr. CHEN Canrong, Mr. JIANG Tianyi, Mr. ZHOU Rong and Mr. XIE Bingwu as non-executive Directors; and Mr. ZHANG Rungang, Mr. KHOO Wun Fat William and Ms. QIU Yun as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information in relation to the Group contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement by the Directors have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.