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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 UNCONDITIONAL 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 UNCONDITIONAL 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)**

CLOSING OF THE OFFERS AND RESULTS OF THE OFFERS

AND

WITHDRAWAL OF LISTING

Financial Adviser to the Offeror



INTRODUCTION

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**”); (iv) the announcement dated 19 March 2021 jointly issued by the Offeror and the Company in relation to the despatch of the Composite Document; (v) the announcement dated 13 April 2021 jointly issued by the Offeror and the Company in relation to the poll results of the H Share Class Meeting and the EGM; and (vi) the announcement dated 16 April 2021 jointly issued by the Offeror and the Company in relation to the Offers becoming unconditional in all respects. Capitalised terms used herein shall have the same meanings as those defined in the Composite Document, unless the context herein requires otherwise.

CLOSING OF THE OFFERS

The Company and the Offeror jointly announce that the Offers were closed at 4:00 p.m. on Friday, 14 May 2021. The Offeror has not further extended the Offers.

RESULTS OF THE OFFERS

As at 4:00 p.m. on the date of this joint announcement, valid acceptances of the H Share Offer had been received in respect of 55,008,588 H Shares, among which valid acceptances of the H Share Offer in respect of 52,658,588 H Shares were tendered by Independent H Shareholders which represents approximately 99.69%, 75.23% and 18.81% 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 4:00 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.

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 in respect of 25,959,477 Domestic Shares and Tongcheng-Elong who has accepted the H Share Offer in respect of 2,350,000 H Shares, no other Offeror Concert Parties have accepted the Offers.

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.

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.

SETTLEMENT OF THE OFFERS

Remittances in respect of valid acceptances of the H Share Offer (after deducting the seller's ad valorem stamp duty arising therefrom) will be posted to the accepting H Shareholder(s) (to the address specified on the relevant H Shareholder's WHITE Form of Acceptance or, if no name and address is specified, to the H Shareholder or the first-named of H Shareholder (in the case of joint H Shareholders) at the registered address shown in the H Share Register) by ordinary post at his/her/its own risk as soon as possible, but in any event within 7 business days (as defined under the Takeovers Code) following the date of receipt of a fully completed WHITE Form of Acceptance by the H Share Registrar in respect of the H Share Offer.

No fractions of a cent will be payable and the amount of cash consideration payable to a H Shareholder who accepts the H Share Offer will be rounded up to the nearest cent.

The Domestic Shareholders who have undertaken to accept the Domestic Share Offer, namely the Chen Group, Kairui Shiqi and Qianhe Qiju (who are all Offeror Concert Parties), have given the Chen Irrevocable Undertakings, the Kairui Shiqi Irrevocable Undertakings and the Qianhe Qiju Irrevocable Undertakings, respectively, pursuant to which each of them have agreed that the settlement of consideration under the Domestic Share Offer will be made within 15 business days after the date on which the relevant Domestic Shareholder notifies the Offeror in writing of such holder's bank account details for the purposes of accepting the Domestic Share Offer. Each of the Chen Group, Kairui Shiqi and Qianhe Qiju has notified the Offeror in writing of its bank account details on Monday, 10 May 2021, and the settlement of consideration under the Domestic Share Offer will be made on or before Tuesday, 1 June 2021 (i.e. within 15 business days after the date on which the relevant Domestic Shareholder has notified the Offeror in writing of such holder's bank account details for the purposes of accepting the Domestic Share Offer) in accordance with the Chen Irrevocable Undertakings, the Kairui Shiqi Irrevocable Undertakings and the Qianhe Qiju Irrevocable Undertakings.

WITHDRAWAL OF LISTING

The Stock Exchange has approved the withdrawal of listing of the H Shares from the Stock Exchange in accordance with Rule 6.12 of the Listing Rules. The last day of trading in the H Shares on the Stock Exchange would be Tuesday, 18 May 2021. Trading in the H Shares would be suspended from 9:00 a.m. on Thursday, 20 May 2021 and 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.

NO RIGHT OF COMPULSORY ACQUISITION

The Offeror has no rights under the laws of the PRC and the Articles of Association of the Company to compulsorily acquire the H Shares that are not tendered for acceptance pursuant to the H Share Offer. **Accordingly, the Independent H Shareholders are reminded that as the H Shares will be delisted from the Stock Exchange, Independent H Shareholders who have not accepted the H Share Offer will be holding securities that are not listed on the Stock Exchange and the liquidity of the H Shares may be severely reduced. In addition, the Company will no longer be subject to the requirements under the Listing Rules and may or may not continue to be subject to the Takeovers Code after completion of the Offers depending on whether it remains as a public company in Hong Kong for the purposes of the Takeovers Code thereafter.**

IMPORTANT NOTICE TO NOMINEES

If you act as a nominee for other persons who are the beneficial shareholders of the H Shares, please inform the relevant beneficial owners of the contents of this joint announcement.

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, 14 May 2021

As at the date of this joint announcement, the directors of the Offeror are Mr. Zheng Nanyan, Mr. Jiang Tianyi, Mr. Wu Haibing and Mr. Jia Qin.

The directors of the Offeror jointly and severally accept 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 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, 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.