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Ever Harmonic Global Limited

(incorporated in Cayman Islands with limited liability)

CLEAR MEDIA LIMITED

白馬戶外媒體有限公司 *

(Incorporated in Bermuda with limited liability)
(Stock Code: 100)

**JOINT ANNOUNCEMENT
VOLUNTARY CONDITIONAL OFFER BY
CLSA LIMITED AND CHINA INTERNATIONAL CAPITAL
CORPORATION HONG KONG SECURITIES LIMITED
FOR AND ON BEHALF OF
EVER HARMONIC GLOBAL LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
CLEAR MEDIA LIMITED (OTHER THAN THOSE SHARES
OWNED OR AGREED TO BE ACQUIRED BY EVER
HARMONIC GLOBAL LIMITED OR PARTIES ACTING IN
CONCERT WITH IT)**

Lead Financial Adviser to the Offeror

Joint Financial Adviser to the Offeror



INTRODUCTION

The Offeror and the Company jointly announce that CLSA Limited and CICC will, for and on behalf of the Offeror, make a voluntary conditional offer to acquire all of the Shares in the Company (other than the Shares owned or agreed to be acquired by the Offeror or parties acting in concert with it).

As at the date of this joint announcement, (i) there are 541,700,500 Shares in issue, and (ii) the Offeror owns 477,755,526 Shares, representing approximately 88.20% of the issued share capital of the Company.

Save for these 477,755,526 Shares referred to above, the Offeror and parties acting in concert with it are not interested in any Shares as at the date of this joint announcement. Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) outstanding as at the date of this joint announcement.

THE OFFER

CLSA Limited and CICC will make the Offer for and on behalf of the Offeror in compliance with the Takeovers Code for the Offer Shares in exchange for either:

- (a) the **Cash Alternative**: HK\$7.12 in cash for every Offer Share; or
- (b) the **Share Alternative**: 1 Holdco Share for every Offer Share.

The Offer Shareholders (all of which are Disinterested Shareholders) may elect the Cash Alternative or the Share Alternative (but not, for the avoidance of doubt, a combination of the two) as the form of Offer Consideration in respect of their entire holdings of Offer Shares. Failure to comply with this requirement of single consideration election would render the relevant Offer Shareholder's election of the Share Alternative being rejected and such Offer Shareholder will be deemed to have elected and will receive the Cash Alternative for all his/her/its interests in the Offer Shares tendered by that Offer Shareholder subject to the Offer becoming unconditional in all respects. Any Offer Shareholder who has returned a completed and executed Form of Acceptance (a) but does not make any election as to the Share Alternative or Cash Alternative; (b) the election of the Share Alternative of which is not valid in accordance with the terms of the Offer (e.g. due to the same Offer Shareholder's election of the Cash Alternative); or (c) electing the Share Alternative but has failed to submit all such KYC Documents as required herein or by the Offeror, will be deemed to have elected the Cash Alternative and will receive the Cash Alternative subject to the Offer becoming or being declared unconditional in all respects.

The Offeror will not increase the Offer Consideration for the Offer as set out above. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Consideration and the Offeror does not reserve the right to increase the Offer Consideration.

The Cash Alternative

The cash consideration of HK\$7.12 per Offer Share under the Cash Alternative represents:

- (a) the same price as the closing price of HK\$7.12 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (b) a premium of approximately 63.7% over the audited consolidated net asset value attributable to owners of the parent of the Company per Share of approximately HK\$4.35 as at December 31, 2020, based on the exchange rate of RMB1 to HK\$1.201).

The Share Alternative

The Holdco is an exempted company incorporated under the laws of Cayman Islands with limited liability with effect from May 26, 2021, whose registered office is at Vistra (Cayman) Limited of P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands. The Holdco Shares are shares of an unlisted company in Cayman Islands, being an investment holding company.

As at the date of this joint announcement, (i) the Holdco has 63,944,974 shares in issue held by City Lead, equivalent to the total number of Shares held by the Offer Shareholders, and does not have any asset or liability (and, for the avoidance of doubt, does not hold any shares or securities in any entity), and (ii) the Offeror has 1 share in issue held by City Lead. City Lead will transfer such number of Holdco Shares to each Offer Shareholder validly electing the Share Alternative equal to the number of Shares tendered by it for acceptance under the Offer within seven Business Days after the later of (i) the date on which the Offer becomes, or is declared, unconditional in all respects and (ii) the date on which a duly completed acceptance of the Offer validly electing the Share Alternative and the relevant documents of title in respect of such acceptance are received by the Offeror (or its agent). The Holdco will repurchase the remaining shares of the Holdco (if any) held by City Lead which are not transferred to the Offer Shareholders at par value upon completion of the Offer such that the Holdco will be wholly-owned by the Offer Shareholders validly electing the Share Alternative.

Assuming all Offer Shareholders choose the Share Alternative, the Company will be a direct wholly-owned subsidiary of the Offeror and in turn held as to 88.20% by City Lead and 11.80% by the Holdco, and the value of each Holdco Share will primarily be determined by the value of the Offeror and the Company. Please refer to the section headed "The Share Alternative" on page 11 of this joint announcement for further details on how the Holdco will become a shareholder of the Offeror.

Confirmation of financial resources

The Offeror intends to finance the Cash Alternative by way of the Offer External Financing. The Offeror has entered into the second deed of amendment to the CNCBI Facility Agreement on July 2, 2021, pursuant to which, CNCBI has agreed to provide to the Offeror secured loan facility with an aggregate commitment amount of up to HK\$465,204,760.46 with a maturity period of 60 months from the date of the first utilization of the term loan facility under the CNCBI Facility Agreement for the First Offer, which was May 11, 2020, and the loan amount of which carries interest of up to 3 per cent. above HIBOR (subject to adjustments pursuant to financial covenants) for the Offer.

As security for the External Financing, (i) the Offeror is required to continue to charge the Shares currently held by it, and is required to charge the Shares to be acquired by it under the Offer in favor of CNCBI, (ii) City Lead is required to continue to charge all Offeror Shares held by it in favor of CNCBI, and (iii) Forward Elite is required to continue to charge all of its shares in City Lead in favor of CNCBI, in each case with CNCBI acting as the security agent for the Lenders of the External Financing. In addition, Mr. Han Zi Jing has provided a personal guarantee in favor of CNCBI as the agent for the Lenders of the External Financing, and each of Forward Elite and City Lead has provided a corporate guarantee in favor of the Lenders of the External Financing, in respect of all amounts due under the External Financing. The Investor Shareholders, the Holdco and the Offer Shareholders validly electing the Share Alternative (i.e. those who would ultimately become the shareholders of the Holdco) are not required to provide any security or guarantee in respect of the External Financing, except that each of Antfin and JCDI has provided comfort letters to CNCBI as agent for the Lenders of the External Financing as credit support.

CLSA Capital Markets and CICC, as the financial advisers to the Offeror in respect of the Offer, are satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

Conditions of the Offer

The Offer is conditional upon the satisfaction or waiver of the following Conditions:

- (a) valid acceptances of the Offer having 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) in respect of such number of Shares which would result in the Offeror holding at least 95% of the total issued share capital of the Company with the further proviso that, within that holding, the Offeror would also hold at least 90% of the Disinterested Shares;
- (b) no event having occurred which would make the Offer or the acquisition of any of the Offer Shares void, unenforceable or illegal or prohibit the implementation of the Offer or would impose any additional material conditions or obligations with respect to the Offer or any part thereof; and

- (c) no relevant government, governmental, quasi-government, statutory or regulatory body, court or agency in Hong Kong or any other jurisdictions having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Offer or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Offer or its implementation in accordance with its terms).

The Offeror reserves the right to waive, in whole or in part, all or any of the Conditions set out above.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror should not invoke Condition (b) or (c) so as to cause the Offer to lapse unless the circumstances which give rise to the right to invoke such Condition are of material significance to the Offeror in the context of the Offer.

In accordance with Rule 15.3 of the Takeovers Code, the Offeror must publish an announcement when the Offer becomes unconditional as to acceptances and when the Offer becomes unconditional in all respects. The Offer must also remain open for acceptance for at least 14 days after the Offer has become unconditional (whether as to acceptances or in all respects). Shareholders are reminded that the Offeror does not have any obligation to keep the Offer open for acceptance beyond this 14-day period.

IRREVOCABLE UNDERTAKING

On July 3, 2021, Aimia, who holds 58,774,450 Shares as at the date of this joint announcement, representing approximately 10.85% of the total issued share capital of the Company and approximately 91.91% of the Disinterested Shares, gave an undertaking in favor of the Offeror, pursuant to which Aimia has irrevocably undertaken to the Offeror to accept the Offer in respect of all of the Sale Shares, by election of either the Share Alternative or the Cash Alternative in respect of all of the Sale Shares, within seven Business Days following the date of despatch of the Composite Document.

Aimia is entitled to terminate the Irrevocable Undertaking if the Composite Document fails to be despatched within the required period in accordance with the requirements of the Takeovers Code or within such longer period as the Offeror may (with the consent of the Executive) determine (the “**Termination Event**”).

In the event of the occurrence of the Termination Event, the Irrevocable Undertaking shall lapse and be of no further force and effect and Aimia shall have no claim against the Offeror.

As the Offeror already holds 88.20% of the total issued share capital of the Company and Aimia holds approximately 10.85% of the total issued share capital of the Company (which is equivalent to approximately 91.91% of the Disinterested Shares) as at the date of this joint announcement, Condition (a) as set out in the section headed “Conditions of the Offer” of this joint announcement will be satisfied (and the Offer will become unconditional as to acceptance) once Aimia tenders the Sale Shares for acceptance of the Offer.

LISTING STATUS AND POSSIBLE COMPULSORY ACQUISITION

Pursuant to Section 102(1) of the Bermuda Companies Act, if the Offer has, within four months after the making of the Offer (that is, the despatch of the Composite Document), been approved (in this case, by way of accepting the Offer) by the Shareholders of not less than nine-tenths in value of the Shares other than the Shares already held at the date of the offer by, or by a nominee for, the Offeror or its subsidiary, provided that such Shareholders are not less than three fourths in number of the holders of those Shares, the Offeror may, at any time within two months beginning with the date on which such approval is obtained, give notice of compulsory acquisition to any dissenting Shareholder that it desires to acquire the Shares held by such dissenting Shareholder. If such notice of compulsory acquisition is given, the Offeror shall, unless the Court orders otherwise, be entitled and bound to acquire the Shares held by the dissenting Shareholders on the same terms as other Shares are acquired under the Offer. Any dissenting Shareholder may apply to the Court to object to the proposed compulsory acquisition within one month from the date on which the notice of compulsory acquisition is given.

Pursuant to Section 103(1) of the Bermuda Companies Act, a holder of not less than 95% of the issued Shares may give a notice of compulsory acquisition to the remaining Shareholders of its intention to acquire their Shares on the terms set out in the notice. When such notice of compulsory acquisition is given, such holder will be entitled and bound to acquire the Shares from the remaining Shareholders unless any remaining Shareholder applies to the Court for an appraisal. If the Offeror acquires further Shares (whether pursuant to the Offer or otherwise) such that it holds not less than 95% of the issued Shares, the Offeror will be entitled to give such notice of compulsory acquisition.

If the level of acceptances of the Offer Shares (or the Offeror’s holding of the total issued share capital of the Company) reaches the prescribed thresholds under Section 102(1) (or Section 103(1)) of the Bermuda Companies Act) and not less than 90% of the Disinterested Shares are validly tendered for acceptance within the Compulsory Acquisition Entitlement Period, the Offeror intends (but is not obliged) to exercise its right under Section 102(1) or Section 103(1) of the Bermuda Companies Act and pursuant to Rule 2.11 of the Takeovers Code to compulsorily acquire all those Shares not acquired by the Offeror or parties acting in concert with it under the Offer.

Pursuant to Rule 15.6 of the Takeovers Code, where the Offeror has stated in the Composite Document its intention to avail itself of any powers of compulsory acquisition, the Offer may not remain open for acceptance for more than four months from the despatch date of the Composite Document, unless the Offeror has, by that time, become entitled to exercise such powers of compulsory acquisition, in which event it must do so without delay.

On completion of the compulsory acquisition process (if the compulsory acquisition right is exercised), the Company will be beneficially owned as to 100% by the Offeror and an application will be made for the withdrawal of the listing of the Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

PUBLIC FLOAT

Reference is made to the announcements of the Company dated July 13, 2020, July 14, 2020, August 13, 2020, October 29, 2020, November 12, 2020, November 26, 2020, January 14, 2021, April 14, 2021 and May 12, 2021 in relation to, among others, the public float of the Company. 5,170,524 Shares, representing approximately 0.95% of the issued Shares, are held by the public (within the meaning of the Listing Rules). Accordingly, the minimum public float requirement of 25% as set out in Rule 8.08(1)(a) of the Listing Rules remains unsatisfied. Trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on July 14, 2020 and will remain suspended until further notice.

According to the Listing Rules, if, upon the close of the Offer, the Offeror does not become entitled to exercise the power of compulsory acquisition under the Bermuda Companies Act (or the Offeror does not exercise such power of compulsory acquisition) and less than 25% of the issued Shares are held by the public, or if the Stock Exchange believes that a false market exists or may exist in the trading of the Shares or there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares until appropriate steps have been taken to restore the minimum percentage of the Shares in public hands. In such circumstances, the Offeror will take appropriate steps to restore the sufficient public float of the Shares after the close of the Offer accordingly.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Under Rule 2.1 of the Takeovers Code, a board which receives an offer or which is approached with a view to an offer being made, must, in the interests of shareholders, establish an independent committee of the board to make a recommendation: (i) as to whether the offer is, or is not, fair and reasonable; and (ii) as to acceptance.

The Independent Board Committee, comprising Mr. Peter Cosgrove, Mr. Robert Gazzi, Mr. Wang Shou Zhi, Mr. Christopher Thomas and Ms. Li Ping, has been formed to advise the Shareholders as to whether the terms of the Offer are, or are not, fair and reasonable and as to acceptance of the Offer. As Mr. Liang Chen, Mr. Stephen Hon Chiu Wong and Ms. Fei Fei Shum are also the directors of the Offeror, they do not form part of the Independent Board Committee.

The Independent Financial Adviser will be appointed, with the approval of the Independent Board Committee, to advise the Independent Board Committee and the Shareholders in respect of the Offer. A further announcement will be made by the Company as soon as possible after the appointment of the Independent Financial Adviser.

The advice of the Independent Financial Adviser and the recommendation of the Independent Board Committee in respect of the Offer, in particular, as to whether the Offer is, or is not, fair and reasonable and as to its acceptance, will be included in the Composite Document.

COMPOSITE DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the offer document containing, among other matters, the terms and conditions of the Offer and the forms of acceptance of the Offer to the Shareholders within 21 days of the date of this joint announcement or such later date to which the Executive may consent.

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into a composite document. Accordingly, the Composite Document (accompanied by the forms of acceptance of the Offer) in connection with the Offer setting out, inter alia, (i) details of the Offer (including the expected timetable); (ii) a letter of recommendation from the Independent Board Committee to the Disinterested Shareholders; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offer, is expected to be despatched jointly by the Offeror and the Company to the Shareholders.

WARNING: Shareholders and/or potential investors of the Company should note that the Offer is subject to the satisfaction or waiver (where applicable) of the Conditions in all respects. Accordingly, the Offer 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. 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.

INTRODUCTION

The Offeror and the Company jointly announce that CLSA Limited and CICC will, for and on behalf of the Offeror, make a voluntary conditional offer to acquire all of the Shares in the Company (other than the Shares owned or agreed to be acquired by the Offeror or parties acting in concert with it).

As at the date of this joint announcement, (i) there are 541,700,500 Shares in issue, and (ii) the Offeror owns 477,755,526 Shares, representing approximately 88.20% of the issued share capital of the Company.

Save for these 477,755,526 Shares referred to above, the Offeror and parties acting in concert with it are not interested in any Shares as at the date of this joint announcement. Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) outstanding as at the date of this joint announcement.

THE OFFER

CLSA Limited and CICC will make the Offer for and on behalf of the Offeror in compliance with the Takeovers Code for the Offer Shares in exchange for either:

- (a) the **Cash Alternative**: HK\$7.12 in cash for every Offer Share; or
- (b) the **Share Alternative**: 1 Holdco Share for every Offer Share.

The Offer Shareholders (all of which are Disinterested Shareholders) may elect the Cash Alternative or the Share Alternative (but not, for the avoidance of doubt, a combination of the two) as the form of Offer Consideration in respect of their entire holdings of Offer Shares. Failure to comply with this requirement of single consideration election would render the relevant Offer Shareholder's election of the Share Alternative being rejected and such Offer Shareholder will be deemed to have elected and will receive the Cash Alternative for all his/her/its interests in the Offer Shares tendered by that Offer Shareholder subject to the Offer becoming unconditional in all respects. Any Offer Shareholder who has returned a completed and executed Form of Acceptance (a) but does not make any election as to the Share Alternative or Cash Alternative; (b) the election of the Share Alternative of which is not valid in accordance with the terms of the Offer (e.g. due to the same Offer Shareholder's election of the Cash Alternative); or (c) electing the Share Alternative but has failed to submit all such KYC Documents as required herein or by the Offeror, will be deemed to have elected the Cash Alternative and will receive the Cash Alternative subject to the Offer becoming or being declared unconditional in all respects.

For the purpose of ensuring accuracy of the registered ownership of the Holdco Shares and satisfying compliance requirements applicable to shareholders of a Cayman-incorporated company, only the registered Offer Shareholders i.e. those whose names appear on the register of members of the Company with physical share certificates are allowed to elect the Share Alternative. **If an Offer Shareholder holding Offer Shares via CCASS wishes to elect the Share Alternative, such Offer Shareholder is required to instruct his/her/its securities dealer/custodian banks to withdraw the Offer Shares from CCASS and arrange for the transfer of those Shares into his/her/its own name as soon as possible thereafter before the relevant deadline for election.**

To ensure the Offer Shareholders do not accept both the Cash Alternative and the Share Alternative, the Company will conduct a shareholder identification exercise pursuant to its power under Section 329 of the SFO. The result of such exercise will be shared with the Offeror in the form of a report (the "**S.329 Report**"). If, having considered the S.329 Report and other relevant information such as the register of members of the Company, the Offeror believes any Offer Shareholder has elected both the Cash Alternative and the Share Alternative in respect of all of the Offer Shares held by him/her/it, the Offeror has absolute discretion to reject the election for Share Alternative, in which case the Offer Shareholder will be deemed to have made an election for Cash Alternative in respect of all the Offer Shares held by him/her/it. Any decision of the Offeror in this regard shall be final and binding. An Offer Shareholder may be required by the Offeror to provide such additional information or documentary evidence for the purpose of confirming that such Offer Shareholder has elected Share Alternative in respect of all the Offer Shares held by him/her/it.

If, after the date of the despatch of the Composite Document, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Cash Alternative and the Share Alternative by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital, in which case any reference in this joint announcement, the Composite Document or any other announcement or document to the Offer Consideration will be deemed to be a reference to the Offer Consideration as so reduced.

The Offer Shares to be acquired under the Offer shall be fully paid and free from any Encumbrances and together with all rights and entitlements attaching or accruing thereto including, without limitation, the right to receive all dividends and other distributions, if any, the record date of which is on or after the date on which the Offer is made (i.e. the date of the despatch of the Composite Document).

The Company confirms that as at the date of this joint announcement, it does not have (a) any declared but unpaid dividends; and (b) any intention to make, declare or pay any future dividend or make other distributions until after the close of the Offer.

The Offeror will not increase the Offer Consideration for the Offer as set out above. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Consideration and the Offeror does not reserve the right to increase the Offer Consideration.

No fractions of a cent will be payable and the amount of cash consideration payable to the Offer Shareholders who have elected the Cash Alternative will be rounded down to the nearest cent.

The Cash Alternative

The cash consideration of HK\$7.12 per Offer Share under the Cash Alternative represents:

- (a) the same price as the closing price of HK\$7.12 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (b) a premium of approximately 63.7% over the audited consolidated net asset value attributable to owners of the parent of the Company per Share of approximately HK\$4.35 as at December 31, 2020, based on the exchange rate of RMB1 to HK\$1.201).

Highest and Lowest Share Prices

Trading in the Shares on the Stock Exchange has been suspended since the Last Trading Day. The closing price per Share as quoted on the Stock Exchange on the Last Trading Day was HK\$7.12.

The Share Alternative

The Holdco is an exempted company incorporated under the laws of Cayman Islands with limited liability with effect from May 26, 2021, whose registered office is at Vistra (Cayman) Limited of P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands. The Holdco Shares are shares of an unlisted company in Cayman Islands, being an investment holding company.

As at the date of this joint announcement, (i) the Holdco has 63,944,974 shares in issue held by City Lead, equivalent to the total number of Shares held by the Offer Shareholders, and does not have any asset or liability (and, for the avoidance of doubt, does not hold any shares or securities in any entity), and (ii) the Offeror has 1 share in issue held by City Lead. City Lead will transfer such number of Holdco Shares to each Offer Shareholder validly electing the Share Alternative equal to the number of Shares tendered by it for acceptance under the Offer within seven Business Days after the later of (i) the date on which the Offer becomes, or is declared, unconditional in all respects and (ii) the date on which a duly completed acceptance of the Offer validly electing the Share Alternative and the relevant documents of title in respect of such acceptance are received by the Offeror (or its agent). The Holdco will repurchase the remaining shares of the Holdco (if any) held by City Lead which are not transferred to the Offer Shareholders at par value upon completion of the Offer such that the Holdco will be wholly-owned by the Offer Shareholders validly electing the Share Alternative.

For the purpose of the First Offer, apart from the First Offer External Financing that was for the benefit of Forward Elite¹, funding was provided in the form of a loan to the Offeror (via City Lead) by the shareholders of City Lead (the “**Internal Funding**”). As part of the terms of the Share Alternative, to ensure the Offeror does not owe any liabilities to City Lead by the close of the Offer, provided that (a) there is any Offer Shareholder accepting the Offer by validly electing the Share Alternative and (b) the Offer becomes unconditional in all respects, the Offeror will issue (i) 477,755,525 Offeror Shares to City Lead in consideration of the capitalization of City Lead’s Internal Funding to the Offeror and the fact that the First Offer External Financing was for the purpose of enabling Forward Elite to pay for its pro rata share of the consideration of the First Offer such that (together with the 1 Offeror Share held by City Lead as at the date of this joint announcement) 477,755,526 Offeror Shares will be held by City Lead by the end of the Offer; and (ii) such number of Offeror Shares to the Holdco equal to the number of Offer Shares tendered for the acceptance of the Share Alternative upon the close of the Offer as part of the consideration to be provided by the Offeror to acquire the Offer Shares tendered by the Offer Shareholders validly electing the Share Alternative (together with the Holdco Shares transferred by City Lead to the Offer Shareholders electing the Share Alternative), so as to ensure that the effective interest in the Company (via the Holdco and the Offeror) held by each of the Offer Shareholders validly electing the Share Alternative upon the close of the Offer will remain the same as his/her/its current shareholding percentage of the Company.

¹ Since Forward Elite has not provided any actual funding for the First Offer and the Offer, the External Financing was and is for the purpose of enabling Forward Elite to pay for its pro rata share of the consideration of the First Offer and the Cash Alternative under the Offer. Although the External Financing was and is for the benefit of Forward Elite, the security for the External Financing, includes, amongst others, the charge of the Shares currently held by the Offeror and the Shares to be acquired by the Offeror under the Offer in favor of CNCBI, as mentioned under the section headed “Confirmation of financial resources” below. The charge of the Shares currently held by the Offeror and the Shares to be acquired by the Offeror under the Offer will affect the value of the Holdco Shares to be received by the Offer Shareholders who accept the Offer and validly elect the Share Alternative.

The 477,755,525 Offeror Shares to be issued to City Lead will be credited as fully paid up and rank *pari passu* with the existing 1 Offeror Share, and will be charged to CNCBI, together with the 1 Offeror Share held by City Lead as at the date of this joint announcement.

For illustration, if all the Offer Shareholders validly elect the Share Alternative, a total of 63,944,974 Holdco Shares will be transferred to the Offer Shareholders by City Lead, and 63,944,974 and 477,755,525 Offeror Shares will also be issued to the Holdco and City Lead respectively. Thereafter, 11.80% of the Offeror Shares will be held by the Holdco which in turn will be wholly-owned by the Offer Shareholders electing the Share Alternative, and 88.20% of the Offeror Shares will be held by City Lead.

Upon the Offer becoming unconditional in all respects and there being any Offer Shareholder accepting the Offer and validly electing the Share Alternative, a professional corporate services firm (or its affiliate) which does not hold any Shares or Holdco Shares will be appointed as the sole corporate director of the Holdco.

Assuming all Offer Shareholders choose the Share Alternative, the Company will be a direct wholly-owned subsidiary of the Offeror and in turn held as to 88.20% by City Lead and 11.80% by the Holdco, and the value of each Holdco Share will primarily be determined by the value of the Offeror and the Company. The Company had a net asset value of approximately RMB1,960,827,000 attributable to Shareholders as at December 31, 2020 as disclosed in the audited consolidated financial results of the Group for the year ended December 31, 2020 (being approximately RMB3.62 per Share based on the total number of issued Shares as at December 31, 2020). The value of the Holdco Shares will also be affected by the indebtedness of the Offeror and the collateral granted by the Offeror to secure its existing financing arrangements. Details of the estimates of value of each Holdco Share will be set out in the Composite Document.

The Holdco Shares to be transferred from City Lead to the Offer Shareholders validly electing the Share Alternative pursuant to the Offer will be free from all encumbrances, credited as fully paid up and rank *pari passu* with each other. The Offeror Shares to be issued to the Holdco will be free from all encumbrances, credited as fully paid up and rank *pari passu* with the existing Offeror Share at the date of issue and the 477,755,525 Offeror Shares to be issued to City Lead as described above.

Rights and Obligations of Holdco as a shareholder of the Offeror

Subject to the Offer being unconditional in all respects and there being any Offer Shareholder accepting the Offer and validly electing the Share Alternative, upon the close of the Offer, shareholders of the Offeror, being City Lead and the Holdco, will have the following rights and obligations, and the Offeror shall be governed in the manner below pursuant to the articles of association of the Offeror:

- (1) The Offeror shall not, and each shareholder of the Offeror shall cause the Offeror not to, take any of the actions below or permit to occur, approve, authorise, agree, or undertake to do any of such actions without obtaining the prior written consent of each of City Lead and the Holdco (including their respective transferees whose transfers have been made in accordance with the articles of association of the Offeror):

- (i) the dissolution, liquidation or winding-up of the Offeror;
 - (ii) the repurchase or redemption of the Offeror Shares by the Offeror;
 - (iii) issuance of any preferred shares or preferred securities by the Offeror;
 - (iv) establishment of a voting mechanism which would entitle certain shares of the Offeror to have different voting rights; and
 - (v) any material change to the nature of business of the Offeror and the Group as a whole ((i) to (v) collectively, the “**Veto Rights**”).
- (2) Each shareholder of the Offeror will be offered a pre-emptive right to subscribe for any new Offeror Shares that may be issued by the Offeror in proportion to its shareholding percentage in the Offeror (the “**Pre-emptive Right**”).
- (3) The Holdco will be offered a co-sale right to tag along any sale by City Lead of its Offeror Shares (the “**Co-sale Right**”).

The directors of the Offeror may call a general meeting at any time they think fit. The directors of the Offeror must also call a general meeting if a requisition in writing is given by any shareholder or shareholders of the Offeror who together hold at least ten percent of the paid up voting share capital of the Offeror and deposited at the registered office of the Offeror specifying the objects of the meeting no later than 21 days from the date of deposit of the requisition signed by the requisitionists. If the directors of the Offeror do not within 21 days from the date of the deposit of the requisition duly proceed to convene a general meeting, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a general meeting, but any meeting so convened shall not be held after the expiration of three months after the expiration of the said 21 days.

The Offeror shall have up to five (5) directors. Ordinary resolution (which requires a simple majority of the shareholding in the Offeror present and voting at a general meeting of the Offeror) is required to appoint or remove directors of the Offeror. City Lead alone will have sufficient voting rights in the Offeror to pass such ordinary resolution. According to the Shareholders’ Agreement, Forward Elite shall have the right to appoint two directors of the Offeror, while each of Antfin, JCDI and CWG Fund shall have the right to appoint one director of the Offeror. The Holdco will not be given any director appointment, nomination or removal rights in the Offeror.

The Offeror is obliged to apply any and all distributions received from the Company and any of its other subsidiaries towards satisfaction of the repayment of the External Financing, and shall not declare or pay any dividends or distributions, in each case unless and until the External Financing has been fully and finally repaid and discharged.

The articles of association of the Offeror will also provide the following:

- (1) The Offeror shall deliver to its shareholders:
 - (a) unaudited consolidated financial statements of the Offeror for the first six months of each financial year within three months after the end of such period;
 - (b) audited annual consolidated financial statements of the Offeror of each financial year within four months after the end of such financial year;
 - (c) a summary of the principal terms of any material transaction of the Offeror or any member of the Group outside of the ordinary and usual course of its business with any shareholder (or its affiliates) of City Lead, within 1 month after the date of such transaction being entered into; and
 - (d) a summary of the principal terms and a fairness opinion from an independent financial adviser in respect of any transaction involving acquisition or disposal of assets or businesses between (i) the Offeror or any member of the Group and (ii) any shareholder (or its affiliates) of City Lead, where the value of the total assets which is the subject of such transaction divided by the value of the total assets of the Offeror as shown in its latest audited or unaudited consolidated financial statements exceeds 5%, within 1 month after the date of such transaction being entered into (paragraphs (1)(a) to (1)(d) collectively, the “**Information Right**”).
- (2) Each shareholder of the Offeror will be entitled to a right of first refusal over the Offeror Shares held by any other shareholder of the Offeror (the “**Right of First Refusal**”), such that before a shareholder of the Offeror (the “**Selling Shareholder**”) transfers its Offeror Shares to any third party, the Selling Shareholder must offer its Offeror Shares, by way of a transfer notice, to the other Offeror shareholder on the same terms which the Selling Shareholder offers to or is offered by that third party. If the other Offeror shareholder does not wish to purchase such Offeror Shares within 10 business days following receipt of the transfer notice, the Selling Shareholder may transfer the Shares on no more favourable terms to such third party within 30 business days following the date of the transfer notice. In respect of the Holdco and any successor in title or transferee of the Offeror Shares held by the Holdco only, any direct or indirect transfer or sale of any equity securities of the Offeror (or any interest therein) held by the Holdco and any successor in title or transferee of the Offeror Shares held by the Holdco (including any transfer, sale or issuance of equity securities of the Holdco or such successor in title or transferee, and of any direct or indirect holder of equity securities of the Holdco or such successor in title or transferee) shall be deemed to be a transfer or sale of equity securities of the Offeror by the Holdco or such successor in title or transferee, and therefore will be subject to the Right of First Refusal of the other shareholder of the Offeror.

- (3) The Holdco shall not recognize, register or effect any transfer, sale or issuance of any Holdco Shares unless, before a shareholder of the Holdco (the “**Holdco Selling Shareholder**”) transfers its Holdco Shares (or before the Holdco issues any new Holdco Shares) to any third party, the Holdco Selling Shareholder (or the Holdco) has offered such Holdco Shares, by way of a transfer notice, to City Lead on the same terms which the Holdco Selling Shareholder (or the Holdco) offers to or is offered by that third party. If City Lead does not wish to purchase such Holdco Shares within 10 business days following receipt of the transfer notice, the Holdco Selling Shareholder may transfer the Holdco Shares (or the Holdco may issue such new Holdco Shares) on no more favorable terms to such third party within 30 business days following the date of the transfer notice, and only in such circumstances the Holdco may recognize, register or effect such transfer, sale or issuance of any Holdco Shares to such third party (the arrangement referred to in this paragraph (3) above being the “**City Lead Holdco Shares ROFR**”).

Any amendment to the articles of association of the Offeror may be effected by special resolution of the Offeror passed by at least two-thirds of the Offeror Shares as, being entitled to do so, voted in person or, where proxies are allowed, by proxy at a general meeting of the Offeror, provided that any such amendment which will have the effect of undermining the Veto Rights, the Pre-emptive Right, the Co-sale Right, the Information Right or the Right of First Refusal will require an affirmative vote or written consent of the holders of 95% or more of the Offeror Shares in issue at the relevant time.

Forward Elite Holdco Deed of Undertaking

As disclosed above, subject to the Offer being unconditional in all respects and there being any Offer Shareholder accepting the Offer and validly electing the Share Alternative, the articles of association of the Offeror will provide that, unless and until the External Financing has been fully and finally repaid and discharged, (i) the Offeror shall not declare or pay any dividends or distributions, and (ii) the Offeror is obliged to apply any and all distributions received from the Company and any of its other subsidiaries towards satisfaction of the repayment of the External Financing.

To compensate the Holdco for its loss of its indirect pro rata share in any distributions from the Company which is applied by the Offeror to the repayment of the External Financing, Forward Elite will enter into the Forward Elite Holdco Deed of Undertaking with the Holdco upon the Offer becoming unconditional in all respects and there being any Offer Shareholder accepting the Offer and validly electing the Share Alternative. Under the terms of the Forward Elite Holdco Deed of Undertaking, if any funds of the Offeror (which would otherwise be available for distribution to City Lead and the Holdco) are used by the Offeror to repay the External Financing (“**Offeror Repayment**”), Forward Elite will undertake to pay the Holdco an amount equal to the Holdco’s pro rata share (in proportion to its shareholding in the Offeror) of the relevant funds of the Offeror so used (“**Forward Elite Payables**”). The Forward Elite Payables may be repaid in any amount from time to time, provided that all Forward Elite Payables shall be repaid in full to the Holdco by no later than 18 months following the date of full repayment of the External Financing. Interest shall accrue on the Forward Elite Payables daily from the date on which each such payables are accrued up to (and including) the date of repayment of such payables (together with all accrued and unpaid interest), at the rate per annum equivalent to six percent (6%) per annum above HIBOR,

calculated based on the actual number of days elapsed and a 360-day year consisting of 12 months of 30 days each. There is no time limit for the Holdco to distribute any proceeds of the Forward Elite Payables to the holders of the Holdco Shares. As disclosed in the section headed “Corporate Governance of the Holdco” in this joint announcement, the Holdco does not have any dividend policy and there is no guarantee that any dividends will be paid by the Holdco nor is there any dividend payment schedule in respect of the Holdco Shares. It is up to board of the Holdco and the Holdco shareholders (i.e. the Offer Shareholders validly electing the Share Alternative) to decide how to handle the proceeds received from Forward Elite for the Forward Elite Payables in accordance with the corporate governance mechanism of the Holdco as described in the section headed “Corporate Governance of the Holdco” in this joint announcement.

Pursuant to the Forward Elite Holdco Deed of Undertaking, Forward Elite undertakes that the Forward Elite Payables shall rank *pari passu* in priority of payment with the Offeror Repayment Inter-Shareholder Loans. Forward Elite undertakes to pay a pro rata portion² of the outstanding Forward Elite Payables to the Holdco simultaneously with the repayment of any amount in satisfaction of Forward Elite’s obligations under the Offeror Repayment Inter-Shareholder Loans.

For the avoidance of doubt, neither the term of the Forward Elite Holdco Deed of Undertaking nor Forward Elite’s obligations thereunder is contingent upon Forward Elite’s shareholding in City Lead. Therefore, even if Forward Elite ceases to be a shareholder of City Lead, the Forward Elite Holdco Deed of Undertaking will survive and Forward Elite will remain liable to repay any and all Forward Elite Payables as and when an Offeror Repayment is made.

Subject to the Offer being unconditional in all respects and there being any Offer Shareholder accepting the Offer and validly electing the Share Alternative, the articles of association of the Offeror and the Forward Elite Holdco Deed of Undertaking will take effect and be in the form substantially similar to those set out in Appendices I and II respectively of this joint announcement.

Corporate Governance of the Holdco

Shareholders of the Holdco would have their rights and obligations in relation to the Holdco governed by the provisions of the articles of association of the Holdco, which will be in compliance with the Cayman Islands Companies Act and other applicable laws in the Cayman Islands (the place of incorporation of the Holdco).

² “pro rata portion” means a fraction, the numerator of which is the total amount of the Offeror Repayment Inter-Shareholder Loans being repaid, and the denominator of which is the total amount of the Offeror Repayment Inter-Shareholder Loans outstanding at the time of such repayment.

In particular, shareholders of the Holdco will have the following rights and obligations, among others:

- (a) **Appointment and removal of directors.** As at the date of this joint announcement, the sole director of the Holdco is Mr. Han Zi Jing, a director of the Offeror. Upon the Offer becoming unconditional in all respects and there being any Offer Shareholder accepting the Offer and validly electing the Share Alternative, Mr. Han Zi Jing will resign from the directorship of the Holdco and a professional corporate services firm (or its affiliate) which does not hold any Shares or Holdco Shares will be appointed as the sole corporate director of the Holdco. A director of the Holdco may be appointed or removed by ordinary resolution, provided that any such ordinary resolution of a duly constituted general meeting of the Holdco must be passed by a simple majority of the votes cast by, or on behalf of, the shareholders of the Holdco entitled to vote in favour of the resolution.
- (b) **Matters subject to Holdco shareholders' approval.** After the completion of the Offer, pursuant to the articles of association of the Holdco, a special resolution may be either (1) passed by a majority of not less than two-thirds of such Holdco Shares as, being entitled to do so, voted in person or, where proxies are allowed, by proxy at a general meeting of the Holdco of which notice specifying the intention to propose the resolution as a special resolution has been duly given, or (2) approved in writing by all of the shareholders entitled to vote at a general meeting of the Holdco. Matters requiring the authority of a special resolution include (but are not limited to):
 - (1) to the extent authorized by the Cayman Islands Companies Act and the memorandum and articles of association of Holdco, amending the memorandum or articles of association of the Holdco;
 - (2) to the extent authorized by the Cayman Islands Companies Act and the memorandum and articles of association of Holdco, reducing the share capital and any capital redemption reserve fund of the Holdco;
 - (3) varying the redemption rights attached to a class of Holdco Shares;
 - (4) resolving to be registered by way of continuation in a jurisdiction outside the jurisdiction in which it is, for the time being, incorporated, registered or existing; and
 - (5) to the extent required by the Cayman Islands Companies Act and the memorandum and articles of association of Holdco, resolving to merge or consolidate the Holdco.

- (c) **Distributions.** Shareholders of the Holdco are entitled to receive notice of general meetings of the Holdco and shall have the right to one vote per each Holdco Share at such meetings. There is no dividend policy and no guarantee that any dividends will be paid nor is there any dividend payment schedule in respect of the Holdco Shares. The board of the Holdco may declare dividends and the Holdco may declare dividends by ordinary resolution (up to a maximum amount as recommended by the board of directors of Holdco), provided that any such ordinary resolution of a duly constituted general meeting of the Holdco must be passed by a simple majority of the votes cast by, or on behalf of, the shareholders of the Holdco entitled to vote in favour of the resolution. Payment of dividends (if any) is dependent on such payment being recommended or declared by the board of the Holdco.
- (d) **Transfer of shares.** Subject to the City Lead Holdco Shares ROFR being complied with, the Holdco shall, on receipt of an instrument of transfer, enter the name of the transferee of the Holdco Shares in the register of shareholders.
- (e) **Requisition of general meetings.** After completion of the Offer, the directors of the Holdco may call a general meeting at any time they think fit. The directors of the Holdco must also call a general meeting if a requisition in writing is given by any shareholder or shareholders of the Holdco who together hold not less than one-tenth of the paid up share capital of the Holdco and deposited at the registered office of the Holdco specifying the objects of the meeting no later than 21 days from the date of deposit of the requisition signed by the requisitionists. If the directors of the Holdco do not within 21 days from the date of the deposit of the requisition duly proceed to convene a general meeting, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a general meeting, but any meeting so convened shall not be held after the expiration of three months after the expiration of the said 21 days.

Further details of the rights of the shareholders of the Holdco will be set out in the Composite Document. A copy of the articles of association of each of the Holdco and the Offeror will be available for inspection as a document on display at the time of despatch of the Composite Document.

Risk factors of holding the Holdco Shares

Investors should be aware of, among other things but not limited to, the following risk factors of holding the Holdco Shares:

- **Holdco Shares are not listed on any stock exchange and do not benefit from the protections afforded by the Listing Rules. There is also no intention to seek a listing of the Holdco Shares (or the business of the Company) on any stock exchange, whether locally or in another jurisdiction;**

- the value of Holdco Shares will take account, among other things, of (i) the indebtedness of the Offeror through which the Company’s shares are held, and (ii) the collateral granted by the Offeror to secure the External Financing, amongst others. For more details, please refer to the section headed “Confirmation of financial resources” below;
- section 4.1 of the Introduction to The Codes on Takeovers and Mergers and Share Buy-backs provides that The Codes on Takeovers and Mergers and Share Buy-backs apply to takeovers, mergers and share buy-backs affecting, among others, public companies in Hong Kong and section 4.2 of the Introduction to The Codes on Takeovers and Mergers and Share Buy-backs provides that in order to determine whether a company is a public company in Hong Kong, the Executive will take into account the number of Hong Kong shareholders and the extent of share trading in Hong Kong and other factors. If the Holdco is determined by the Executive to be a “public company in Hong Kong”, the Holdco will be subject to The Codes on Takeovers and Mergers and Share Buy-backs;
- Holdco Shares are illiquid and are subject to the City Lead Holdco Shares ROFR, hence the shareholders of the Holdco may find it more difficult to find a purchaser for the Holdco Shares if they intend to sell their shares, as there is less likely a ready market for Holdco Shares;
- there is no guarantee that any dividend payments will be paid in respect of Holdco Shares;
- as at the date of this joint announcement, the Holdco does not have any assets or liabilities, except the US\$639.44974 which was paid to the Holdco for the subscription at par value of the 63,944,974 Holdco Shares currently held by City Lead. The Holdco does not intend to engage in any business other than acting as the holding company of the Offeror Shares after completion of the Offer;
- changes in the business and economic environment could adversely affect the operating profits of Holdco (if any) or the value of Holdco’s assets. For example, financial factors such as currency controls, devaluation or regulatory changes, or stability factors such as mass riots, civil war and other potential events could contribute to Holdco’s risks; and
- general business risks associated with the Group and the outdoor advertising industry including but not limited to:
 - (1) the revenue of the Group largely relies on the sales of advertising space, as such, the Group’s revenue depends on the overall outdoor advertising market which can fluctuate significantly based on economic conditions;
 - (2) the Group faces increasing competition from other outdoor advertising companies, and from other forms of advertising, such as television, broadcast radio, magazines, newspapers and online advertisements, which could affect the Group’s business performance;

- (3) the Group operates in an industry in which there is a high concentration of customers. In the event that there is any substantial reduction in the appetite for advertising by a small number of key customers, the Group's revenue may be significantly affected;**
- (4) the Group's business depends on its ability to obtain and retain concessions granted by entities authorized by local authorities in the PRC in the cities which the Company operates. Such concessions could be terminated by the entities authorized by local authorities upon giving reasonable notice. If the Group were to lose its existing concessions, it could have a material adverse effect on its business, results of operations and financial conditions;**
- (5) the PRC government censors advertising content and imposes liability on advertising companies for publishing advertising content which is in breach of certain regulations, which may limit the Group's business operations;**
- (6) the business operations of the Group is dependent on policies related to the advertising in the PRC, and additional regulations may be imposed on the outdoor advertising in China in the future. Changes in laws and regulations governing the content of outdoor advertising, issuance of business licenses or otherwise affecting outdoor advertising in China may have a material adverse effect on the Group's business operations;**
- (7) the Group's business performance may be affected by external political factors, such as international trade sanctions, which have resulted in slowdown in economic development in the PRC and may result in deterioration in the Group's operating environment;**
- (8) the Group's bus shelter and billboard concessions are its principal assets, which are intangible in nature, but commercial banks in the PRC generally require security in the form of tangible assets such as cash deposits and real property as a condition for granting loans. In the event the Group is unable to identify such a bank willing to accept the concessions as collateral, the Group may need to use cash or other assets as collateral for its financing needs and this may limit the Group's ability to borrow or raise its cost of capital; and**
- (9) a significant portion of the Group's total revenue is attributable to the Group's sales to its connected companies. The Group may face potential conflicts of interests in connection with the enforcement and performance of these sales agreements, in particular, where a dispute arises in connection with the aforementioned agreements.**

SHAREHOLDING STRUCTURE OF THE COMPANY

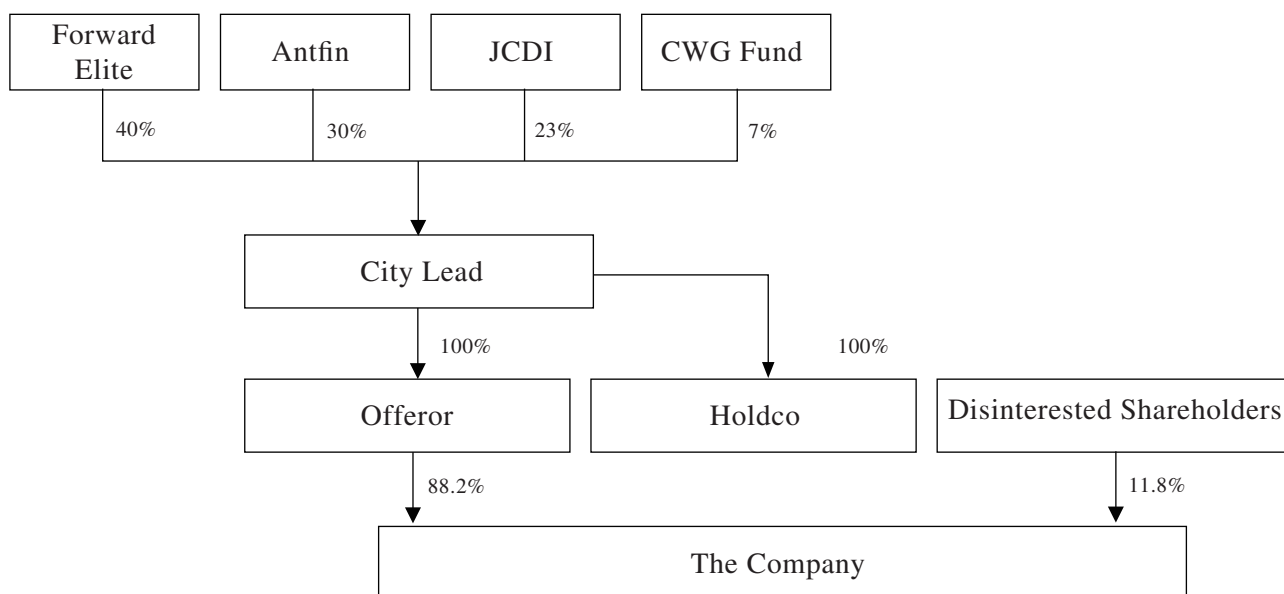
The shareholding structure of the Company as at the date of this joint announcement is set out below:

Shareholders	As at the date of this joint announcement	
	Number of Shares	Approximate percentage of Shareholding
Offeror and parties acting in concert with it	477,755,526	88.20%
<i>Disinterested Shareholders</i>		
Aimia (Note 1)	58,774,450	10.85%
Other public Shareholders	5,170,524	0.95%
Total	541,700,500	100.00%

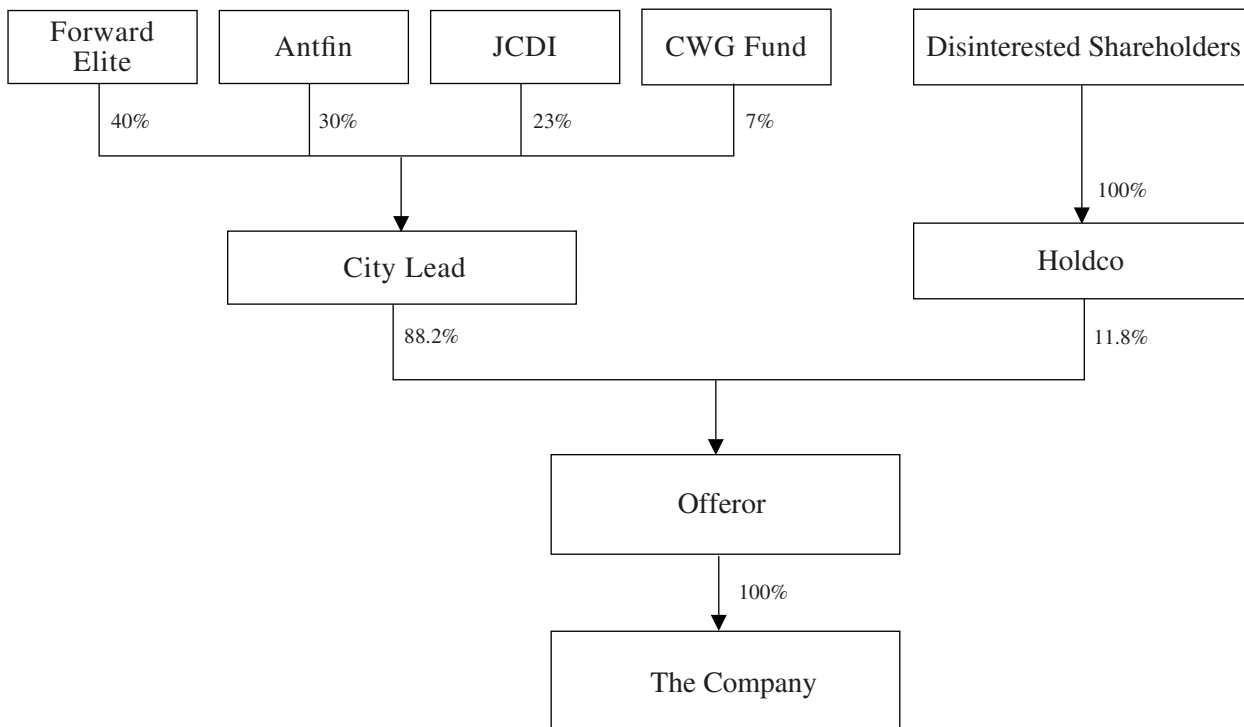
Notes:

- Based on its latest disclosure of interest filings pursuant to Part XV of the SFO.

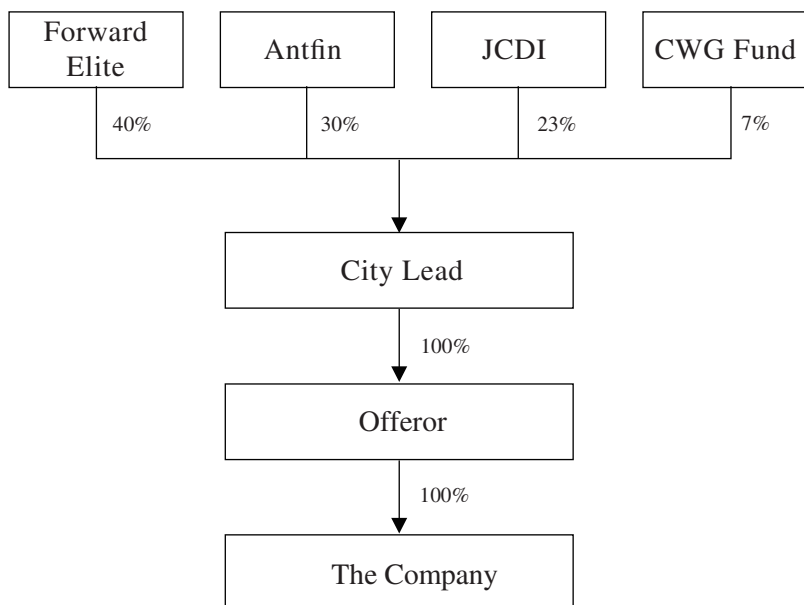
As at the date of this joint announcement, the shareholding structure of the Company is as set out below:



Assuming all the Offer Shareholders choose the Share Alternative, the shareholding structure of the Company will be as set out below immediately after the completion of the Offer and the repurchase by the Holdco from City Lead of any Holdco Shares not transferred to the Offer Shareholders:



Assuming all the Offer Shareholders choose the Cash Alternative, the shareholding structure of the Company as set out below:



Value of the Offer

As at the date of this joint announcement, there are 541,700,500 Shares in issue. There are no other outstanding warrants, options, derivatives or securities convertible into Shares and the Company has not entered into any agreement for the issue of such warrants, options, derivatives or securities convertible into Shares as at the date of this joint announcement.

On the assumption that all the Offer Shareholders elect the Cash Alternative, the value of the Offer is approximately HK\$455 million.

Confirmation of financial resources

The Offeror intends to finance the Cash Alternative by way of the Offer External Financing. The Offeror has entered into the second deed of amendment to the CNCBI Facility Agreement on July 2, 2021, pursuant to which, CNCBI has agreed to provide to the Offeror secured loan facility with an aggregate commitment amount of up to HK\$465,204,760.46 with a maturity period of 60 months from the date of the first utilization of the term loan facility under the CNCBI Facility Agreement for the First Offer, which was May 11, 2020, and the loan amount of which carries interest of up to 3 per cent. above HIBOR (subject to adjustments pursuant to financial covenants) for the Offer.

As security for the External Financing, (i) the Offeror is required to continue to charge the Shares currently held by it, and is required to charge the Shares to be acquired by it under the Offer in favor of CNCBI, (ii) City Lead is required to continue to charge all Offeror Shares held by it in favor of CNCBI, and (iii) Forward Elite is required to continue to charge all of its shares in City Lead in favor of CNCBI, in each case with CNCBI acting as the security agent for the Lenders of the External Financing. In addition, Mr. Han Zi Jing has provided a personal guarantee in favor of CNCBI as the agent for the Lenders of the External Financing, and each of Forward Elite and City Lead has provided a corporate guarantee in favor of the Lenders of the External Financing, in respect of all amounts due under the External Financing. The Investor Shareholders, the Holdco and the Offer Shareholders validly electing the Share Alternative (i.e. those who would ultimately become the shareholders of the Holdco) are not required to provide any security or guarantee in respect of the External Financing, except that each of Antfin and JCDI has provided comfort letters to CNCBI as agent for the Lenders of the External Financing as credit support.

CLSA Capital Markets and CICC, as the financial advisers to the Offeror in respect of the Offer, are satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

Conditions of the Offer

The Offer is conditional upon the satisfaction or waiver of the following Conditions:

- (a) valid acceptances of the Offer having been 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) in respect of such number of Shares which would result in the Offeror holding at least 95% of the total issued share capital of the Company with the further proviso that, within that holding, the Offeror would also hold at least 90% of the Disinterested Shares;
- (b) no event having occurred which would make the Offer or the acquisition of any of the Offer Shares void, unenforceable or illegal or prohibit the implementation of the Offer or would impose any additional material conditions or obligations with respect to the Offer or any part thereof; and
- (c) no relevant government, governmental, quasi-government, statutory or regulatory body, court or agency in Hong Kong or any other jurisdictions having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Offer or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Offer or its implementation in accordance with its terms).

The Offeror reserves the right to waive, in whole or in part, all or any of the Conditions set out above.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror should not invoke Condition (b) or (c) so as to cause the Offer to lapse unless the circumstances which give rise to the right to invoke such Condition are of material significance to the Offeror in the context of the Offer.

In accordance with Rule 15.3 of the Takeovers Code, the Offeror must publish an announcement when the Offer becomes unconditional as to acceptances and when the Offer becomes unconditional in all respects. The Offer must also remain open for acceptance for at least 14 days after the Offer has become unconditional (whether as to acceptances or in all respects). Shareholders are reminded that the Offeror does not have any obligation to keep the Offer open for acceptance beyond this 14-day period.

Effect of Accepting the Offer

Acceptance of the Offer will constitute a warranty to the Offeror by each person accepting it that the Shares acquired under the Offer and sold by such persons are free from any Encumbrances and together with all rights and entitlements attaching or accruing thereto including, without limitation, the right to receive all dividends and other distributions, if any, the record date of which is on or after the date on which the Offer are made (i.e. the date of the despatch of the Composite Document).

Acceptance of the Offer would be irrevocable and would not be capable of being withdrawn after the Offer has become or been declared unconditional unless such withdrawal is made in accordance with Rule 19.2 of the Takeovers Code. Rule 17 of the Takeovers Code provides that an acceptor of the Offer shall be entitled to withdraw his/her/its acceptance after 21 days from the first closing date of the Offer if the Offer has not by then become unconditional as to acceptances.

Overseas Shareholders

The making of the Offer to the Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the laws of the relevant jurisdictions. Such Shareholders may be prohibited or affected by the laws of the relevant jurisdictions and it is the responsibility of each such Shareholder who wishes to accept the Offer to satisfy himself/herself/itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents, or filing and registration requirements which may be required to comply with all necessary formalities or legal or regulatory requirements and the payment of any transfer or other taxes due from such Shareholder in such relevant jurisdictions.

Any acceptance by any Shareholder will be deemed to constitute a representation and warranty from such Shareholder to the Offeror and that all laws, regulations and requirements applicable to that Shareholder have been complied with and that the Offer can be lawfully accepted by such Shareholder under the laws and regulations of the relevant jurisdiction. Shareholders should consult their professional advisers if in doubt.

The Shareholders are encouraged to read the Composite Document carefully, including the advice of the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee to the Shareholders (i) as to whether the Offer are, or are not, fair and reasonable; and (ii) as to acceptance of the Offer.

Taxation advice

None of the Offeror, the Company, their ultimate beneficial owners and parties acting in concert with any of them, CLSA Limited, CLSA Capital Markets and CICC, the Independent Financial Adviser, the share registrar of the Company or any of their respective directors, officers, associates or advisers, or any persons involved in the Offer is in a position to advise Shareholders on their own tax implications in any relevant jurisdiction. Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications in any relevant jurisdiction of accepting or rejecting the Offer.

None of the Offeror, the Company, their ultimate beneficial owners and parties acting in concert with any of them, CLSA Limited, CLSA Capital Markets and CICC, the Independent Financial Adviser, the share registrar of the Company or any of their respective directors, officers, associates or advisers or any persons involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any person or persons as a result of the acceptance or rejection of the Offer by any Shareholder.

Stamp Duty

The Offeror will bear the ad valorem stamp duty payable by both the seller and the buyer arising in connection with acceptances of the Offer and the relevant transfer of Shares, each amounting to a rate of 0.1% (or such other higher rate as may be promulgated from time to time) of the market value of the Shares or consideration payable in respect of the relevant acceptances by the relevant Offer Shareholders, whichever is higher.

No stamp duty or other fees will be payable for the transfer of the Holdco Shares by City Lead to Offer Shareholders who have validly elected the Share Alternative.

Payment

Payment of the Offer Consideration (i.e., (a) cheques for cash entitlements to those who have validly elected (or have been deemed to have elected) the Cash Alternative and (b) share certificates for Holdco Shares to those who have validly elected the Share Alternative) in respect of acceptance of the Offer will be made as soon as possible but in any event within seven Business Days after the later of (i) the date on which the Offer becomes, or is declared, unconditional in all respects and (ii) the date on which a duly completed acceptance of the Offer and the relevant documents of title in respect of such acceptance are received by the Offeror (or its agent).

An election of the Cash Alternative or the Share Alternative may be made by Offer Shareholders in connection with their respective shareholdings in the Company, and Offer Shareholders shall make such election by properly completing and signing the Form of Acceptance in accordance with the instructions appearing thereon (and, in the case of joint holders, signed by all the joint holders to which it relates, and in the case of a holder or a joint holder which is a body corporate, signed on its behalf by one of its directors or a duly authorised signatory) in respect of their entire holdings of Offer Shares registered under their names before the close of the Offer, and deliver the duly completed and executed Form of Acceptance to the share registrar of the Company, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. Together with the lodging of a duly completed and executed Form of Acceptance and the share certificate of the Offer Shares being tendered, if an Offer Shareholder wishes to elect for the Share Alternative, the Offer Shareholder must also lodge the following documents to comply with the relevant anti-money laundering requirements of the Cayman Islands (which shall be in English or accompanied by an English translation which is certified as a true translation): (a) if the Offer Shareholder is an individual, such Offer Shareholder must provide a certified true copy (certified as a true copy by a solicitor, a certified public accountant or a notary public) of each of (i) the Offer Shareholder's valid passport and (ii) proof of Offer Shareholder's residential address (which shall be issued within the last three months of the date of the acceptance); and (b) if the Offer Shareholder is a corporation, it must provide a copy of each of (i) its certificate of incorporation, (ii) its constitutional document, (iii) its register of members (or equivalent) and (iv) its register of directors (or equivalent) (the "**KYC Documents**"). The Offeror and the Company reserve the discretion to request for additional evidence or documents as may be required for the purpose of complying with the relevant anti-money laundering requirements of the Cayman Islands.

Any Offer Shareholder who has returned a completed and executed Form of Acceptance (a) but does not make any election as to the Share Alternative or Cash Alternative; (b) the election of the Share Alternative of which is not valid in accordance with the terms of the Offer (e.g. due to the same Offer Shareholder's election of the Cash Alternative); or (c) electing the Share Alternative but has failed to submit all such KYC Documents as required herein or by the Offeror, will be deemed to have elected the Cash Alternative and will receive the Cash Alternative subject to the Offer becoming or being declared unconditional in all respects.

Upon receiving the Holdco Shares, there are no restrictions (other than the City Lead Holdco Shares ROFR) for the shareholders of the Holdco to sell or transfer their Holdco Shares in private through over-the-counter trading. Tricor Investor Services Limited will issue and distribute share certificates of the Holdco Shares to the Offer Shareholders who have validly elected the Share Alternative, and will also act as transfer agent of the Holdco Shares by processing any transfer of Holdco Shares.

Interests of the Offeror and Parties Acting in Concert with it in the Shares

As at the date of this joint announcement, the Offeror, is the owner of 477,755,526 Shares, representing approximately 88.20% of the issued share capital of the Company.

Save as aforesaid, as at the date of this joint announcement, none of the Offeror and parties acting in concert with it owns, controls or has direction over any Shares or holds any convertible securities, warrants, options or derivatives in respect of the Shares.

Other Information

The Offeror confirms that, as at the date of this joint announcement:

- (a) save for 477,755,526 Shares held by the Offeror, none of the Offeror or the parties acting in concert with it owns or has control or direction over any voting rights or rights over the Shares, options, derivatives, warrants or other securities convertible into Shares;
- (b) save for the Irrevocable Undertaking, none of the Offeror or parties acting in concert with it has received any irrevocable commitment to accept or reject the Offer;
- (c) save for the Irrevocable Undertaking, the Shareholders' Agreement, the share mortgage executed by City Lead to charge all of its shares in the Offeror in favor of CNCBI and the share mortgage executed by the Offeror to charge the Shares held by it and to be acquired by it under the Offer in favor of CNCBI, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Company and which might be material to the Offer;
- (d) there is no agreement or arrangement to which the Offeror or parties acting in concert with it is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;

- (e) none of the Offeror or parties acting in concert with it has entered into any arrangements or contracts in relation to any outstanding derivative in respect of the securities in the Company;
- (f) there is no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror or parties acting in concert with it on one hand and any Shareholder on the other hand;
- (g) there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or parties acting in concert with it to the Offer Shareholders or parties acting in concert with any of them in relation to the Offer Shares under the Offer, other than the Offer Consideration;
- (h) none of the Offeror and parties acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company, save for any borrowed shares which have been either on-lent or sold; and
- (i) none of the Offeror and parties acting in concert with it has dealt in the Shares, options, derivatives, warrants and/or other securities convertible into Shares during the six-months period prior to the date of this joint announcement.

The Company confirms that, as at the date of this joint announcement, there is no understanding, arrangement or agreement which constitute a special deal (as defined under Rule 25 of the Takeovers Code) between any Shareholders on the one hand, and the Company, its subsidiaries or associated companies on the other hand.

IRREVOCABLE UNDERTAKING

On July 3, 2021, Aimia, who holds 58,774,450 Shares as at the date of this joint announcement, representing approximately 10.85% of the total issued share capital of the Company and approximately 91.91% of the Disinterested Shares, gave an undertaking in favor of the Offeror, pursuant to which Aimia has irrevocably undertaken to the Offeror to accept the Offer in respect of all of the Sale Shares, by election of either the Share Alternative or the Cash Alternative in respect of all of the Sale Shares, within seven Business Days following the date of despatch of the Composite Document.

Aimia is entitled to terminate the Irrevocable Undertaking if the Composite Document fails to be despatched within the required period in accordance with the requirements of the Takeovers Code or within such longer period as the Offeror may (with the consent of the Executive) determine (the “**Termination Event**”).

In the event of the occurrence of the Termination Event, the Irrevocable Undertaking shall lapse and be of no further force and effect, and Aimia shall have no claim against the Offeror.

As the Offeror already holds 88.20% of the total issued share capital of the Company and Aimia holds approximately 10.85% of the total issued share capital of the Company (which is equivalent to approximately 91.91% of the Disinterested Shares) as at the date of this joint announcement, Condition (a) as set out in the section headed “Conditions of the Offer” of this joint announcement will be satisfied (and the Offer will become unconditional as to acceptance) once Aimia tenders the Sale Shares for acceptance of the Offer.

NOTICE TO US INVESTORS

The receipt of cash by a US Shareholder pursuant to the Offer may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each Shareholder is urged to consult his/her independent professional adviser immediately regarding the tax consequences of the Offer applicable to him/her.

It may be difficult for the US Shareholders to enforce their rights and claims arising out of the US federal securities laws, since the Offeror and the Company are located in a country other than the US, and some or all of their officers and directors may be residents of a country other than the US. The US Shareholders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court’s judgement.

LISTING STATUS AND POSSIBLE COMPULSORY ACQUISITION

Pursuant to Section 102(1) of the Bermuda Companies Act, if the Offer has, within four months after the making of the Offer (that is, the despatch of the Composite Document), been approved (in this case, by way of accepting the Offer) by the Shareholders of not less than nine-tenths in value of the Shares other than the Shares already held at the date of the offer by, or by a nominee for, the Offeror or its subsidiary, provided that such Shareholders are not less than three fourths in number of the holders of those Shares, the Offeror may, at any time within two months beginning with the date on which such approval is obtained, give notice of compulsory acquisition to any dissenting Shareholder that it desires to acquire the Shares held by such dissenting Shareholder. If such notice of compulsory acquisition is given, the Offeror shall, unless the Court orders otherwise, be entitled and bound to acquire the Shares held by the dissenting Shareholders on the same terms as other Shares are acquired under the Offer. Any dissenting Shareholder may apply to the Court to object to the proposed compulsory acquisition within one month from the date on which the notice of compulsory acquisition is given.

Pursuant to Section 103(1) of the Bermuda Companies Act, a holder of not less than 95% of the issued Shares may give a notice of compulsory acquisition to the remaining Shareholders of its intention to acquire their Shares on the terms set out in the notice. When such notice of compulsory acquisition is given, such holder will be entitled and bound to acquire the Shares from the remaining Shareholders unless any remaining Shareholder applies to the Court for an appraisal. If the Offeror acquires further Shares (whether pursuant to the Offer or otherwise) such that it holds not less than 95% of the issued Shares, the Offeror will be entitled to give such notice of compulsory acquisition.

If the level of acceptances of the Offer Shares (or the Offeror's holding of the total issued share capital of the Company) reaches the prescribed thresholds under Section 102(1) (or Section 103(1)) of the Bermuda Companies Act) and not less than 90% of the Disinterested Shares are validly tendered for acceptance within the Compulsory Acquisition Entitlement Period, the Offeror intends (but is not obliged) to exercise its right under Section 102(1) or Section 103(1) of the Bermuda Companies Act and pursuant to Rule 2.11 of the Takeovers Code to compulsorily acquire all those Shares not acquired by the Offeror or parties acting in concert with it under the Offer.

Pursuant to Rule 15.6 of the Takeovers Code, where the Offeror has stated in the Composite Document its intention to avail itself of any powers of compulsory acquisition, the Offer may not remain open for acceptance for more than four months from the despatch date of the Composite Document, unless the Offeror has, by that time, become entitled to exercise such powers of compulsory acquisition, in which event it must do so without delay.

On completion of the compulsory acquisition process (if the compulsory acquisition right is exercised), the Company will be beneficially owned as to 100% by the Offeror and an application will be made for the withdrawal of the listing of the Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules.

If the level of acceptances of the Offer Shares (or the Offeror's holding of the total issued share capital of the Company) does not reach the prescribed thresholds under Section 102(1) (or Section 103(1)) of the Bermuda Companies Act or less than 90% of the Disinterested Shares are validly tendered for acceptance during the Compulsory Acquisition Entitlement Period, the Offeror will not be entitled to exercise the compulsory acquisition right and therefore the Company will not be delisted from the Stock Exchange.

If the Offeror decides to compulsorily acquire those Offer Share(s) not acquired by the Offeror under the Offer (the "**Remaining Offer Share(s)**") under Section 102(1) of the Bermuda Companies Act, the Offeror will despatch the compulsory acquisition notices pursuant to the Bermuda Companies Act, each accompanied by a form of request for payment of consideration (the "**Compulsory Acquisition Consideration**"), i.e. the Cash Alternative only, to the Shareholder(s) holding the Remaining Offer Share(s) (the "**Remaining Offer Shareholder(s)**"). In order to receive the Compulsory Acquisition Consideration, the Remaining Offer Shareholder(s) should complete and return the form of request for payment of consideration within one month from the despatch date of the compulsory acquisition notices. If any dissenting Remaining Offer Shareholder files an application with the Court within one month from the date of the compulsory acquisition notices and (i) such objection is ultimately upheld by the Court, the Offeror will not be able to exercise compulsory acquisition; or (ii) such objection is ultimately not upheld by the Court, the cheques for the payment of the amounts due to the Remaining Offer Shareholder(s) will be despatched within one month after the Court rules in favor of the compulsory acquisition. If the Remaining Offer Shareholder(s) do not complete and return the form of request for payment of consideration (as mentioned above), the Offeror will then be required to pay the Compulsory Acquisition Consideration of such Remaining Offer Shareholder(s) to the Company rather than directly to the relevant Remaining Offer Shareholder(s), and the Company is required to transfer such Compulsory Acquisition Consideration into a separate bank account and hold it on trust for these Remaining Offer Shareholder(s). The Company shall hold the Compulsory Acquisition

Consideration for each such Remaining Offer Shareholder(s) until the earlier of: (i) a claim by such Remaining Offer Shareholder(s) is made and the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or satisfactory indemnity or indemnities required in respect thereof) of such Remaining Offer Shareholder(s) are provided to the Company or the Offeror to the satisfaction of the Company, and (ii) the expiry of six years from the date of completion of the compulsory acquisition.

If the Offeror decides to compulsorily acquire the Remaining Offer Share(s) under Section 103(1) of the Bermuda Companies Act, the Offeror will despatch the compulsory acquisition notices pursuant to the Bermuda Companies Act, each accompanied by a form of request for payment of Compulsory Acquisition Consideration, i.e. the Cash Alternative only, to the Remaining Offer Shareholder(s). Any Remaining Offer Shareholder who receives such notice has the right to apply to the Court to appraise the value of their Offer Shares within one month of receiving the compulsory acquisition notice. There is no appeal process available in relation to the Court's appraisal decision.

If the cash price that was paid for the Offer Share(s) already acquired under the Cash Alternative is less than the value appraised by the Court, subject to any other directions from the Court, the Offeror will, within one month of the Court's appraisal of the value of the Offer Share(s), pay the difference in the cash price paid under the Cash Alternative and the appraised value of the Offer Share(s) to the Offer Shareholder(s) electing the Cash Alternative, and acquire the Remaining Offer Share(s) from the Remaining Offer Shareholder(s) at the value appraised by the Court.

Once compulsory acquisition is exercised, all Offer Shareholders who have not accepted the Offer will be paid in cash only.

PUBLIC FLOAT

Reference is made to the announcements of the Company dated July 13, 2020, July 14, 2020, August 13, 2020, October 29, 2020, November 12, 2020, November 26, 2020, January 14, 2021, April 14, 2021 and May 12, 2021 in relation to, among others, the public float of the Company. 5,170,524 Shares, representing approximately 0.95% of the issued Shares, are held by the public (within the meaning of the Listing Rules). Accordingly, the minimum public float requirement of 25% as set out in Rule 8.08(1)(a) of the Listing Rules remains unsatisfied. Trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on July 14, 2020 and will remain suspended until further notice.

According to the Listing Rules, if, upon the close of the Offer, the Offeror does not become entitled to exercise the power of compulsory acquisition under the Bermuda Companies Act (or the Offeror does not exercise such power of compulsory acquisition) and less than 25% of the issued Shares are held by the public, or if the Stock Exchange believes that a false market exists or may exist in the trading of the Shares or there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares until appropriate steps have been taken to restore the minimum percentage of the Shares in public hands. In such circumstances, the Offeror will take appropriate steps to restore the sufficient public float of the Shares after the close of the Offer accordingly.

INFORMATION ON THE GROUP

Principal activities

The Company operated the most extensive standardized bus shelter advertising network in Mainland China, with a total of more than 59,000 panels covering 24 cities as at December 31, 2020.

Financial Information

Set out below is a summary of the financial information of the Group extracted from the annual report of the Company for the three years ended December 31, 2018, December 31, 2019 and December 31, 2020.

	Year ended December 31, 2020 (audited) (RMB'000)	Year ended December 31, 2019 (audited) (RMB'000)	Year ended December 31, 2018 (audited) (RMB'000)
Revenue	1,035,724	1,445,850	1,803,664
Profit/(loss) before taxation	(333,526)	(93,328)	361,039
Profit/(loss) after taxation	(276,903)	(84,138)	254,358
	As at December 31, 2020 (audited) (RMB'000)	As at December 31, 2019 (audited) (RMB'000)	As at December 31, 2018 (audited) (RMB'000)
Total assets	4,555,134	5,116,476	3,441,774
Total liabilities	2,496,419	2,787,440	927,321
Net assets	2,058,715	2,329,036	2,514,453

INFORMATION OF THE OFFEROR

The Offeror is an investment holding company incorporated in the Cayman Islands with limited liability and is wholly owned by City Lead, which is held as to 40% by Forward Elite, 30% by Antfin, 23% by JCDI and 7% by CWG Fund.

The Offeror has not carried on any business since incorporation other than matters in connection with the First Offer and the Offer. The Offeror does not intend to engage in any business other than acting as the holding company of the Company after completion of the Offer. As at May 31, 2021, the Offeror had the following assets and liabilities in addition to certain cash and working capital balances:

Assets: 477,755,526 Shares, which are charged to CNCBI

Liabilities: (i) the Internal Funding (which will be capitalized by issuing new Offeror Shares to City Lead upon the Offer becoming unconditional in all respects and there being any Offer Shareholder accepting the Offer and validly electing the Share Alternative as mentioned under the section headed “The Share Alternative”) and (ii) the First Offer External Financing and its related interest

Forward Elite is an investment holding company incorporated in the British Virgin Islands with limited liability and is wholly owned by Mr. Han Zi Jing.

Antfin is an investment holding company incorporated in Hong Kong and an indirect wholly-owned subsidiary of Ant Group. Ant Group is a company incorporated in the PRC, and provides digital payment services, digital financial services and digital daily life services for consumers and small and micro businesses in China and across the world. As at the date of this joint announcement, Hangzhou Junhan Equity Investment Partnership (Limited Partnership) (杭州君瀚股權投資合夥企業(有限合夥)) (“**Hangzhou Junhan**”) and Hangzhou Junao Equity Investment Partnership (Limited Partnership) ((杭州君澳股權投資合夥企業(有限合夥)) (“**Hangzhou Junao**”) hold approximately 29.86% and 20.66% (together approximately 50.52%) of Ant Group’s total issued shares, respectively. Hangzhou Yunbo Investment Consulting Co., Ltd. (杭州雲鉅投資諮詢有限公司) (“**Hangzhou Yunbo**”) is the executive partner and general partner of, and controls, Hangzhou Junhan and Hangzhou Junao. Mr. Jack Ma holds a 34% equity interest in Hangzhou Yunbo and each of Mr. Eric Jing, Mr. Simon Xiaoming Hu and Ms. Fang Jiang holds a 22% equity interest in Hangzhou Yunbo. Pursuant to a concert party agreement entered into between them and the articles of association of Hangzhou Yunbo, Mr. Jack Ma has ultimate control over Ant Group.

JCDI is a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of JCDecaux, a company incorporated in France and listed on Euronext Paris (stock code: DEC). JCDecaux Group is the premium outdoor advertising corporation in the world and a multinational corporation headquartered in France.

CWG Fund is an exempted limited partnership registered under the laws of the Cayman Islands, principally engaged in investment holding, whose general partner is JT China Wealth Management Limited (which is wholly-owned by Empyrean Management (Hong Kong) Limited (九天管理(香港)有限公司)) and whose sole limited partner is Empyrean Management (Hong Kong) Limited, which is in turn wholly-owned by JIC Capital Management (Tianjin) Limited, a PRC state-owned enterprise, and is indirectly wholly-owned by Central Huijin Investment Ltd, a PRC state-owned enterprise, and is principally engaged in private equity investment.

SHAREHOLDERS' AGREEMENT

On March 29, 2020, Forward Elite, Antfin, JCDI, CWG Fund, City Lead, and the Offeror entered into the Shareholders' Agreement, which was amended and restated pursuant to an amendment and restatement agreement entered into by the foregoing parties on July 5, 2021, pursuant to which they have agreed, amongst other things, that:

(a) Corporate Governance

Certain material actions and decisions of City Lead, the Holdco, the Offeror and the Group Companies, including any material decisions relating to the Offer, changes in share capital, changes in constitutional documents, liquidation of any of the relevant entities, declaration and payment of dividends, entry into related party transactions, and approval or amendment to equity incentive plans, shall not be made without obtaining the prior written consent of each of Forward Elite, Antfin, JCDI, and CWG Fund, provided that, (i) with respect to the actions and decisions of the Group Companies, such requirements shall be subject to compliance with the Listing Rules until the Company becomes delisted from the Stock Exchange, and (ii) with respect to the actions and decisions of the Holdco, such requirements shall cease to apply in the event that City Lead holds, directly or indirectly, 50% or less of the total issued share capital of the Holdco.

Each of City Lead and the Offeror shall have up to five (5) directors, of which Forward Elite shall have the right to nominate two (2) directors, Antfin shall have the right to nominate one (1) director, JCDI shall have the right to nominate one (1) director and CWG Fund shall have the right to nominate one (1) director.

Subject to compliance with the applicable laws (including the Takeovers Code and the Listing Rules), for so long as the Company remains listed on the Stock Exchange, the parties to the Shareholders' Agreement shall procure that the Company shall have a Board of Directors consisting of eight (8) Directors, of which (a) Forward Elite shall have the right to nominate two (2) Directors, (b) Antfin shall have the right to nominate one (1) Director, (c) JCDI shall have the right to nominate one (1) Director, (d) CWG Fund shall have the right to nominate one (1) Director, and (e) three (3) Directors shall be independent non-executive Directors nominated and appointed in accordance with the Listing Rules.

As soon as practicable following the date on which the Company becomes delisted from the Stock Exchange, the parties to the Shareholders' Agreement shall cause the board of directors of each company in the Group (unless the parties agree otherwise) to be constituted in the same manner as the board composition for City Lead and the Offeror as described above.

As at the date of this joint announcement, Mr. Han Zi Jing, Ms. Junrong Zhao, Mr. Chen Liang, Mr. Stephen Hon Chiu Wong and Ms. Fei Fei Shum are the directors of each of the Offeror and City Lead.

(b) Pre-emptive rights

Each of Forward Elite, Antfin, JCDI and CWG Fund shall have customary pre-emptive rights in respect of issuance of new securities by City Lead.

(c) Inter-shareholder lending

Since Forward Elite has not provided any actual funding for the First Offer and the Offer, the Shareholders' Agreement provides that, as amongst Forward Elite and the Investor Shareholders, Forward Elite shall be responsible for providing funds for repayment of the External Financing.

To the extent that the Offeror uses any of its funds (which were originally available for distribution to City Lead and ultimately the shareholders of City Lead) to repay the External Financing, the Shareholders' Agreement provides that Forward Elite shall be deemed to have loaned from each Investor Shareholder an amount equal to that Investor Shareholder's pro rata share of the relevant funds of the Offeror (determined based on (i) its shareholding in City Lead multiplied by (ii) City Lead's shareholding in the Offeror) (the "**Offeror Repayment Inter-shareholder Loans**", and together with the Initial Funding Inter-shareholder Loans, the "**Inter-shareholder Loans**"). All Offeror Repayment Inter-shareholder Loans shall be repaid in full by no later than 18 months following the date of full repayment of the External Financing. Interest shall accrue on all Offeror Repayment Inter-shareholder Loans daily from the date on which each such loans are accrued up to (and including) the date of repayment of such loans (together with all accrued and unpaid interest), at the rate per annum equivalent to six percent (6%) per annum above HIBOR, calculated based on the actual number of days elapsed and a 360-day year consisting of 12 months of 30 days each.

In the event of default in any repayment of the Inter-shareholder Loans, the Investor Shareholders may (subject to the security documents under the External Financing) require Forward Elite to sell the shares in City Lead held by it and its affiliates, and to apply the proceeds of such sale towards satisfaction of any outstanding amount under the Inter-shareholder Loans and the Forward Elite Payables on a pro-rata basis based on the total outstanding amount of all Inter-shareholder Loans and Forward Elite Payables.

(d) Transfer of shares

None of Forward Elite, Antfin, JCDI and CWG Fund may transfer any of its shares in City Lead to any person at any time prior to the expiry of the offer period (as defined under the Takeovers Code), or the completion of the compulsory acquisition process (if the compulsory acquisition right is exercised) (the "**Lock-Up Period**").

Following the expiry of the Lock-Up Period:

- (i) any transfer of shares in City Lead by any of its shareholders shall not be made to certain restricted persons (unless the prior written consent of the relevant shareholder(s) has been obtained), and shall be subject to customary rights of first refusal of the other shareholders;

- (ii) Forward Elite and its affiliates shall remain the single largest shareholder of City Lead and their shareholding shall remain no less than 30% immediately following completion of any transfer of shares in City Lead by Forward Elite or its affiliates;
- (iii) any transfer of shares in City Lead by Forward Elite prior to the full repayment of the External Financing and the Inter-shareholder Loans shall require the prior written consent of Antfin and JCDI unless (A) such transfer is made on a bona fide basis and the full amount of the proceeds of such transfer shall be applied towards the repayment of such External Financing and the Inter-shareholder Loans or (B) such transfer is made to a permitted transferee of Forward Elite;
- (iv) any transfer of shares in City Lead by Forward Elite following the full repayment of the External Financing and the Inter-shareholder Loans, to the extent that the other shareholders have not exercised their respective rights of first refusal, shall be subject to co-sale rights of such other shareholders;
- (v) any transfer of shares in City Lead by Antfin, to the extent that the other shareholders have not exercised their respective rights of first refusal and JCDI has not exercised its right of first refusal, shall be subject to co-sale rights of JCDI; and
- (vi) any transfer of shares in City Lead by JCDI, to the extent that the other shareholders have not exercised their respective rights of first refusal and Antfin has not exercised its right of first refusal, shall be subject to co-sale rights of Antfin.

The aforementioned rights of first refusal and co-sale rights shall not apply in respect of (i) the transfer of shares to a permitted affiliate, (ii) the transfer of shares by Forward Elite to any eligible person as determined by Forward Elite and approved by each of Forward Elite, Antfin, JCDI and CWG Fund from time to time, provided that Mr. Han Zi Jing remains the single largest shareholder of Forward Elite following completion of such transfer, and Forward Elite remains the single largest shareholder of City Lead with a shareholding of no less than 30%, (iii) the transfer of shares pursuant to requirements under the security documents of the External Financing (provided that the rights of first refusal shall continue to apply to such transfer) or (iv) the transfer of shares pursuant to requirements under any Inter-shareholder Loan.

(e) Abstention from voting

Each of Forward Elite, Antfin, JCDI and CWG Fund shall, as the case may be, abstain from voting in the general meeting of City Lead and cause its nominees appointed to the board of directors of City Lead to abstain from voting in the board meeting of City Lead in any material transaction concerning City Lead, the Offeror or the Group in which it (or its affiliate) has a material interest, other than transactions carried out in the ordinary course of business of the Group.

INTENTIONS OF THE OFFEROR IN RELATION TO THE GROUP

It is the intention of the Offeror that the existing business of the Group shall continue unaffected, notwithstanding the Offer. Subject to the Group's business needs and prevailing market conditions, the Offeror may explore business opportunities to develop the existing business of the Group. As at the date of this joint announcement, the Offeror has no intention to (i) discontinue the employment of any employees of the Group (other than those in its ordinary and usual course of business); (ii) redeploy the fixed assets of the Group other than those in its ordinary and usual course of business; or (iii) introduce any major changes in the existing operations and business of the Group. There is also no intention to seek a listing of the Holdco Shares (or the business of the Group) on any stock exchange, whether locally or in another jurisdiction.

Reasons for and Benefits of the Offer

On March 30, 2020, the Offeror and the Company jointly announced that CLSA Limited and CICC, for and on behalf of the Offeror, would make a voluntary conditional cash offer to acquire all of the shares in the entire issued share capital of the Company, and to cancel all outstanding options granted by the Company. The offer price of HK\$7.12 under the First Offer, representing a premium of approximately 50.21% and 39.61% over the closing prices of HK\$4.74 and HK\$5.10 per Share as quoted on the Stock Exchange on November 29, 2019 (the last trading day prior to the publication of the announcement pursuant to Rule 3.7 of the Takeovers Code in relation to the First Offer) and the last trading day of the announcement pursuant to Rule 3.5 of the Takeovers Code in relation to the First Offer respectively, was closed on July 13, 2020.

At the close of the First Offer, there were 63,944,974 Shares that were not owned by the Offeror, representing approximately 11.80% of the total issued share capital of the Company. As the level of acceptance had not reached the prescribed thresholds under the Bermuda Companies Act and Rule 2.11 of the Takeovers Code, the Offeror was unable to effect the compulsory acquisition of the Offer Shares, and the Company remains listed on the Stock Exchange.

The First Offer achieved an overwhelming acceptance rate of 88.20% of the total number of issued Shares (including 1.22% of the total number of issued Shares originally held by Mr. Han Zi Jing, the sole shareholder of Forward Elite). The Offeror has reasons to believe that the offer price of HK\$7.12 for the Shares under the First Offer was highly attractive to the vast majority of the then Shareholders. Despite the attractiveness of the offer price, and that the First Offer was made available for acceptance over a period of 78 days, the Offeror did not receive acceptance from the Offer Shareholders.

In order to further increase the attractiveness of the Offer to the Offer Shareholders, both the Cash Alternative and the Share Alternative are offered. The Offer provides each of the Offer Shareholders an option, as an alternative to accepting cash, to remain as indirect Shareholders.

For the Company: an endeavor to facilitate a necessary transformation of the business in a challenging environment for the outdoor advertising industry

The Company's core business, as operator of the most extensive standardized bus shelter advertising network in Mainland China, has faced significant challenges in recent years. Demand for outdoor advertising in particular has declined substantially, particularly among clients in the e-commerce and digital products sectors. Outdoor advertising is considered to be one of the oldest forms of promotion, and as digital media have increased in popularity in recent years, outdoor advertising has faced intense competition from digital and online advertising. These trends have created a challenging operating environment in which the Group's customers have exercised considerable caution in setting their operating budgets, resulting in persistent late confirmation or last-minute cancellation of orders. Overall, the Group is facing major structural and operational challenges in its existing business model.

Although the Group has explored a range of initiatives to respond to these challenges, the Company's financial performance has deteriorated. Revenue decreased by 28.4% from RMB1,446 million for the year ended 31 December 2019 to RMB1,036 million for the year ended December 31, 2020, and net loss attributable to owners of the parent of the Company increased from a net loss of RMB87 million for the year ended December 31, 2019 to a net loss of RMB247 million for the year ended December 31, 2020. At the same time, the Shares' trading volume were generally low during the 12 months before the Last Trading Day, with an average trading volume of approximately 1,166,406 Shares per trading day, representing 0.22% of the issued share capital of the Company.

In order for the Group to remain competitive in the face of these challenges, it must inevitably restructure and transform its business model, which will require significant investment over a number of years, as well as a highly motivated workforce. Given the downward trend in the Company's Share price and low liquidity in the Shares prior to trading in the Shares was suspended on 14 July 2020, the listed status of the Company is no longer a viable source of funding for the necessary investments. Moreover, given low liquidity in the Shares, any employee option incentive schemes would not be sufficiently effective for acquisition and retention of talent.

The Offeror, with the support of its shareholders, plans to promote the Company's restructuring and transformation through intensive collaboration with the Company on exploration of new development opportunities and implementation of a series of long-term growth measures. The planned growth measures include expansion of the Company's sales and marketing resources and acquisition of additional bus shelter concession rights, which will require the Company to incur significant expenses and capital expenditures, squeezing its profit margin and affecting its growth profile in the short to medium term. If the Company were to implement these measures while remaining listed, investors' views of the Company's share price would likely diverge from the Company's view of its potential long-term value. Following the implementation of the Offer and the privatization of the Company (if successful), the Offeror and the Company have flexibility to structure employee compensation in a more optimal manner, and they will be able to make strategic investment decisions focused on realization of the Company's potential long-term value, free from the pressure of market expectations and the share price fluctuations otherwise associated with the status of a publicly listed company.

For the Shareholders: an attractive opportunity to monetize their investment in the Company, which has low trading liquidity, at a compelling premium in view of industry headwinds and execution risks

If the Company were to implement its planned long-term growth measures while remaining listed, the resulting short to medium-term pressure on the Company's profit margins and financial performance could have a significant adverse effect on the Company's Share price.

As a result of the First Offer, the minimum public float requirement of 25% as set out in Rule 8.08(1)(a) of the Listing Rules has not been satisfied and trading in the Shares has been suspended, since July 14, 2020. Despite the Offeror's endeavours to restore the public float of the Company (including its continuous engagement with potential investors from various industries), the Offeror has not agreed any investment terms with any of the potential investors yet as at the date of this joint announcement. The illiquidity caused by the trading suspension of the Shares is not in the interest of the Offer Shareholders.

The Offer, in contrast, provides an opportunity for Offer Shareholders to monetize their investments in the Company immediately for cash without any downward pressure on the Share price, and therefore allows Shareholders a chance to redeploy their capital into other investment opportunities that they may consider more attractive in the current environment.

The Offer also provides the Offer Shareholders, through the election of the Share Alternative, with an opportunity to remain invested in the Company.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Under Rule 2.1 of the Takeovers Code, a board which receives an offer or which is approached with a view to an offer being made, must, in the interests of shareholders, establish an independent committee of the board to make a recommendation: (i) as to whether the offer is, or is not, fair and reasonable; and (ii) as to acceptance.

The Independent Board Committee, comprising Mr. Peter Cosgrove, Mr. Robert Gazzi, Mr. Wang Shou Zhi, Mr. Christopher Thomas and Ms. Li Ping, has been formed to advise the Shareholders as to whether the terms of the Offer are, or are not, fair and reasonable and as to acceptance of the Offer. As Mr. Liang Chen, Mr. Stephen Hon Chiu Wong and Ms. Fei Fei Shum are also the directors of the Offeror, they do not form part of the Independent Board Committee.

The Independent Financial Adviser will be appointed, with the approval of the Independent Board Committee, to advise the Independent Board Committee and the Shareholders in respect of the Offer. A further announcement will be made by the Company as soon as possible after the appointment of the Independent Financial Adviser.

The advice of the Independent Financial Adviser and the recommendation of the Independent Board Committee in respect of the Offer, in particular, as to whether the Offer is, or is not, fair and reasonable and as to its acceptance, will be included in the Composite Document.

COMPOSITE DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the offer document containing, among other matters, the terms and conditions of the Offer and the forms of acceptance of the Offer to the Shareholders within 21 days of the date of this joint announcement or such later date to which the Executive may consent.

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into a composite document. Accordingly, the Composite Document (accompanied by the forms of acceptance of the Offer) in connection with the Offer setting out, inter alia, (i) details of the Offer (including the expected timetable); (ii) a letter of recommendation from the Independent Board Committee to the Disinterested Shareholders; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offer, is expected to be despatched jointly by the Offeror and the Company to the Shareholders.

GENERAL

Disclosure of Dealings

In accordance with Rule 3.8 of the Takeovers Code, the associates (including any person holding 5% or more of a class of relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code)) of the Company and the Offeror are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

WARNING: Shareholders and/or potential investors of the Company should note that the Offer is subject to the satisfaction or waiver (where applicable) of the Conditions in all respects. Accordingly, the Offer 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. 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.

DEFINITIONS

Unless the context requires otherwise, the following terms have the following meanings in this joint announcement:

“acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“Aimia”	Aimia Inc., a company incorporated in Canada and listed on the Toronto Stock Exchange (stock code: AIM)
“Ant Group”	螞蟻科技集團股份有限公司 (Ant Group Co., Ltd.*), a company incorporated in the PRC with limited liability
“Antfin”	Antfin (Hong Kong) Holding Limited, a company incorporated in Hong Kong with limited liability and indirectly wholly owned by Ant Group
“associates”	has the meaning ascribed thereto in the Takeovers Code
“Bermuda”	the Islands of Bermuda
“Bermuda Companies Act”	The Companies Act of Bermuda 1981 (as amended)
“Board”	board of the Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“Cash Alternative”	HK\$7.12 per Offer Share payable in cash by the Offeror
“Cayman Islands Companies Act”	Companies Act (2021 Revision) of the Cayman Islands (as amended from time to time)
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited

“CICC”	China International Capital Corporation Hong Kong Securities Limited, a licensed corporation under the SFO to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on future contracts) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO, the financial adviser to the Offeror in respect of the Offer
“City Lead”	City Lead Developments Limited (城領發展有限公司), a company incorporated in the British Virgin Islands with limited liability and held as to 40% by Forward Elite, 30% by Antfin, 23% by JCDI and 7% by CWG Fund
“City Lead Holdco Shares ROFR”	has the meaning ascribed thereto in the section headed “Rights and Obligations of Holdco as a shareholder of the Offeror” of this joint announcement
“Closing Date”	the date to be stated in the Composite Document as the first closing date of the Offer or any subsequent closing date as may be announced by the Offeror in accordance with the Takeovers Code and/or approved by the Executive
“CLSA Capital Markets”	CLSA Capital Markets Limited, a corporation licensed to conduct Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the lead financial adviser to the Offeror in respect of the Offer, an indirectly wholly-owned subsidiary of CITIC Securities Company Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6030)
“CLSA Limited”	CLSA Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 7 (providing automated trading services) regulated activities under the SFO, being one of the agents making the Offer on behalf of the Offeror, an indirectly wholly-owned subsidiary of CITIC Securities Company Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6030)
“CNCBI”	China Citic Bank International Limited, a registered institution under the SFO, licensed to conduct Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)

“CNCBI Facility Agreement”	the credit agreement dated March 27, 2020 entered into between the Offeror, City Lead, Forward Elite, CLSA Limited and the Lenders led by CNCBI
“Company”	Clear Media Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 100)
“Composite Document”	the composite document to be issued jointly by the Offeror and the Company in relation to the Offer in accordance with the Takeovers Code and the Listing Rules
“Compulsory Acquisition Entitlement Period”	the period commencing on the date of the Composite Document and ending on the date falling four months after the date of the Composite Document (or such later date as the Executive may permit for the requisite level of acceptances to be reached in order for the Offeror to undertake compulsory acquisition)
“Conditions”	the conditions of the Offer, as set out in the section headed “Conditions of the Offer” of this joint announcement
“Court”	the Supreme Court of Bermuda
“CWG Fund”	China Wealth Growth Fund III L.P., an exempted limited partnership registered under the laws of the Cayman Islands, whose general partner is JT China Wealth Management Limited and whose sole limited partner is Empyrean Management (Hong Kong) Limited (九天管理(香港)有限公司)
“Director(s)”	director(s) of the Company
“Disinterested Shares”	Shares other than those which are owned by the Offeror and parties acting in concert with it
“Disinterested Shareholders”	holders of Disinterested Shares
“Encumbrance”	a charge, debenture, mortgage, pledge, deed of trust, lien, option, equity rights, power of sale, hypothecation, claim, retention of title, right of pre-emption, right of first refusal, or other third party right or security interest of any kind or an agreement or obligation to create any of the above
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director

“External Financing”	First Offer External Financing and Offer External Financing
“First Offer”	the offer jointly announced by the Offeror and the Company on March 30, 2020 pursuant to which CLSA Limited and CICC, for and on behalf of the Offeror, made a voluntary conditional cash offer to acquire all of the shares in the entire issued share capital of the Company, and to cancel all outstanding options granted by the Company
“First Offer External Financing”	the external debt financing utilized by the Offeror in the amount of HK\$1,134,795,239.54 in relation to the First Offer pursuant to the CNCBI Facility Agreement
“Form of Acceptance”	the form of acceptance to be completed by Offer Shareholder for the acceptance of the Offer and the election of the Cash Alternative or the Share Alternative (but not, for the avoidance of doubt, a combination of the two), which will be despatched to the Offer Shareholders together with the Composite Document
“Forward Elite”	Forward Elite Holdings Limited (傑發控股有限公司), a company incorporated in the British Virgin Islands with limited liability and wholly owned by Mr. Han Zi Jing
“Forward Elite Holdco Deed of Undertaking”	the deed of undertaking granted by Forward Elite in favour of the Holdco, as further described in the section headed “Forward Elite Holdco Deed of Undertaking” of this joint announcement
“Forward Elite Payables”	has the meaning ascribed thereto in the section headed “Forward Elite Holdco Deed of Undertaking” of this joint announcement
“Group”	the Company and its subsidiaries, and “ Group Company ” means any one of them
“Han Group”	Forward Elite and Mr. Han Zi Jing
“HIBOR”	Hong Kong Interbank Offered Rate
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Holdco”	City Lead II Developments Limited (城領II發展有限公司), an exempted company incorporated in the Cayman Islands with limited liability, which is wholly owned by City Lead as at the date of this joint announcement

“Holdco Share(s)”	share(s) in the capital of the Holdco with a par value of US\$0.00001 each
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board comprising Mr. Peter Cosgrove, Mr. Robert Gazzi, Mr. Wang Shou Zhi, Mr. Christopher Thomas and Ms. Li Ping established for the purpose of making a recommendation to the Offer Shareholders in relation to the Offer
“Independent Financial Adviser”	the independent financial adviser to be appointed by the Independent Board Committee in relation to the Offer
“Initial Funding Inter-shareholder Loans”	the excess of the Investor Shareholders’ contribution to the First Offer over their pro rata share of the consideration payable by the Offeror in connection with the First Offer (subject to adjustments taking into account the funding requirements of the Offer), which is deemed to be a loan from the Investor Shareholders to Forward Elite
“Internal Funding”	has the meaning ascribed thereto in the section headed “The Offer – The Share Alternative” of this joint announcement
“Investor Shareholder(s)”	the shareholders of City Lead other than Forward Elite
“JCDI”	JCDecaux Innovate Limited, a company incorporated in Hong Kong with limited liability and indirectly wholly owned by JCDecaux
“JCDecaux”	JCDecaux SA, a company incorporated in France and listed on Euronext Paris (stock code: DEC)
“JCDecaux Group”	JCDecaux and its subsidiaries
“Last Trading Day”	July 13, 2020, being the last trading day on which the Shares were traded on the Stock Exchange prior to the issue and publication of this joint announcement
“Lenders”	a syndicate of lenders led by CNCBI
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer”	the voluntary conditional offer by the Offeror to acquire all the issued Shares (other than the Shares owned or agreed to be acquired by the Offeror or parties acting in concert with it)

“Offer Consideration”	the consideration payable by the Offeror in connection with the Offer, being the Cash Alternative or the Share Alternative (but not, for the avoidance of doubt, a combination of the two)
“Offer External Financing”	the external debt financing granted by the Lenders to the Offeror in the principal amount of up to HK\$465,204,760.46 pursuant to the second deed of amendment to the CNCBI Facility Agreement entered into by the foregoing parties on July 2, 2021
“Offer Share(s)”	any and all of the issued Share(s) (other than the Shares owned or agreed to be acquired by the Offeror or parties acting in concert with it)
“Offer Shareholder(s)”	holders of Offer Share(s)
“Offeror”	Ever Harmonic Global Limited (永和環球有限公司), an exempted company incorporated in the Cayman Islands with limited liability, which is wholly owned by City Lead as at the date of this joint announcement
“Offeror Repayment Inter-Shareholder Loans”	has the meaning ascribed thereto in the section headed “Shareholders’ Agreement – (c) Inter-shareholder lending” of this joint announcement
“Offeror Share(s)”	ordinary share(s) in the share capital of the Offeror
“PRC”	the People’s Republic of China, which for the purpose of this joint announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“public”	has the meaning ascribed there to under Rule 8.24 of the Listing Rules (and “in public hands” shall be construed accordingly)
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	the 58,774,450 Shares held by Aimia, representing approximately 10.85% of the issued share capital of the Company
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“Share Alternative”	1 Holdco Share which will be newly issued and credited as fully paid and ranking <i>pari passu</i> with other shares of the Holdco then in issue for every Offer Share held
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Shareholders’ Agreement”	the shareholders’ agreement in relation to City Lead and the Offeror dated March 29, 2020 between Forward Elite, Antfin, JCDI, CWG Fund, City Lead, and the Offeror, which was amended and restated pursuant to an amendment and restatement agreement entered into by the foregoing parties on July 5, 2021
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers published by the SFC
“United States” or “US”	the United States of America
“%”	per cent.

* *for identification purposes only*

By order of the board of directors of
Ever Harmonic Global Limited
Mr. Han Zi Jing
Director

By order of the board of directors
Clear Media Limited
Mr. Jeffrey Yip
Company Secretary

Hong Kong, July 5, 2021

As at the date of this joint announcement, the executive Directors are Mr. Joseph Tcheng, Mr. Han Zi Jing, Mr. Zhang Huai Jun and Mr. Zou Nan Feng (alternate to Mr. Zhang Huai Jun); the non-executive Directors are Mr. Peter Cosgrove, Mr. Liang Chen, Mr. Stephen Hon Chiu Wong, Mr. Jérôme Lucien Joseph Marie d’Héré (alternate to Mr. Stephen Hon Chiu Wong) and Ms. Fei Fei Shum and the independent non-executive Directors are Mr. Robert Gazzi, Mr. Wang Shou Zhi, Mr. Christopher Thomas and Ms. Li Ping.

The Directors jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Offeror and parties acting in concert with it) contained in this joint announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed (other than opinions expressed by the

Offeror Directors, Mr. Han Zi Jing, Antfin Directors, JCDI Directors, JCDecaux Directors and CWG Fund Director) in this joint announcement 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, Mr. Han Zi Jing, Ms. Junrong Zhao, Mr. Liang Chen, Mr. Stephen Hon Chiu Wong and Ms. Fei Fei Shum are the directors of the Offeror (“**Offeror Directors**”).*

The Offeror Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group, Han Group, Antfin, JCDecaux Group and CWG Fund), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors, Mr. Han Zi Jing, Antfin Directors, JCDI Directors, JCDecaux Directors and CWG Fund Director) 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, Mr. Han Zi Jing is the sole director of Forward Elite.

The sole director of Forward Elite accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group, Antfin, JCDecaux Group and CWG Fund), and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors, Antfin Directors, JCDI Directors, JCDecaux Directors and CWG Fund Director) 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, Mr. Leiming Chen, Mr. Xinyi Han and Mr. Kai Nin Kenny Man are the directors of Antfin (“**Antfin Directors**”).*

The directors of Antfin jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group, Han Group, JCDecaux Group and CWG Fund), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors, Mr. Han Zi Jing, JCDI Directors, JCDecaux Directors and CWG Fund Director) 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, Juliette, Cécile, Marie Vigier ép. Mouchonnet, Emmanuel André Bernard Bastide and Stephen Hon Chiu Wong are the directors of JCDI (“**JCDI Directors**”).*

The JCDI Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group, Han Group, Antfin and CWG Fund), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors, Mr. Han Zi Jing, Antfin Directors and CWG Fund Director) 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, Mr. Jean-François Decaux, Mr. Jean-Charles Decaux, Mr. David Bourg, Mr. Emmanuel André Bernard Bastide and Mr. Daniel Hofer are the members of the Executive Board (le Directoire) of JCDecaux (“**JCDecaux Directors**”).*

The JCDecaux Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group, Han Group, Antfin and CWG Fund), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors, Mr. Han Zi Jing, Antfin Directors and CWG Fund Director) 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, Ms. Fei Fei Shum is the sole director of JT China Wealth Management Limited, the general partner of CWG Fund (“**CWG Fund Director**”).*

The sole director of JT China Wealth Management Limited (acting in its capacity as a general partner of CWG Fund) accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group, Han Group, Antfin and JCDecaux Group), and confirms, having made all reasonable inquiries, that to the best of her knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors, Mr. Han Zi Jing, Antfin Directors, JCDI Directors and JCDecaux 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.

**APPENDIX I – AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF
ASSOCIATION OF THE OFFEROR**

(Effective subject to the Offer being unconditional in all respects and there being any Offer Shareholder accepting the Offer and validly electing the Share Alternative)

AMENDED AND RESTATED MEMORANDUM

AND

**ARTICLES OF ASSOCIATION OF
EVER HARMONIC GLOBAL LIMITED
永和環球有限公司**

(adopted by a special resolution passed on [••], 2021)

Incorporated on the 2nd day of August, 2019

INCORPORATED IN THE CAYMAN ISLANDS

THE COMPANIES ACT (2021 Revision)
Company Limited by Shares

AMENDED AND RESTATED

MEMORANDUM OF ASSOCIATION OF

EVER HARMONIC GLOBAL LIMITED
永和環球有限公司

1. The name of the Company is EVER HARMONIC GLOBAL LIMITED 永和環球有限公司.
2. The Registered Office of the Company shall be at the offices of Vistra (Cayman) Limited, P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands or at such other place as the Directors may from time to time decide.
3. The objects for which the Company is established are unrestricted and shall include, but without limitation, the following:
 - (a) (i) To carry on the business of an investment company and to act as promoters and entrepreneurs and to carry on business as financiers, capitalists, concessionaires, merchants, brokers, traders, dealers, agents, importers and exporters and to undertake and carry on and execute all kinds of investment, financial, commercial, mercantile, trading and other operations.
 - (ii) To carry on whether as principals, agents or otherwise howsoever the business of realtors, developers, consultants, estate agents or managers, builders, contractors, engineers, manufacturers, dealers in or vendors of all types of property including services.
 - (b) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any shares, stock, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof, to provide managerial and other executive, supervisory and consultant services for or in relation to any company in which the Company is interested upon such terms as may be thought fit.
 - (c) To purchase or otherwise acquire, to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with real and personal property and rights of all kinds and, in particular, mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licences, stocks, shares, bonds, policies, book debts, business concerns, undertakings, claims, privileges and choses in action of all kinds.

- (d) To subscribe for, conditionally or unconditionally, to underwrite, issue on commission or otherwise, take, hold, deal in and convert stocks, shares and securities of all kinds and to enter into partnership or into any arrangement for sharing profits, reciprocal concessions or cooperation with any person or company and to promote and aid in promoting, to constitute, form or organise any company, syndicate or partnership of any kind, for the purpose of acquiring and undertaking any property and liabilities of the Company or of advancing, directly or indirectly, the objects of the Company or for any other purpose which the Company may think expedient.
- (e) To stand surety for or to guarantee, support or secure the performance of all or any of the obligations of any person, firm or company whether or not related or affiliated to the Company in any manner and whether by personal covenant or by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital or by any such method and whether or not the Company shall receive valuable consideration thereof.
- (f) To engage in or carry on any other lawful trade, business or enterprise which may at any time appear to the Directors of the Company capable of being conveniently carried on in conjunction with any of the aforementioned businesses or activities or which may appear to the Directors or the Company likely to be profitable to the Company.

In the interpretation of this Memorandum of Association in general and of this Clause 3 in particular no object, business or power specified or mentioned shall be limited or restricted by reference to or inference from any other object, business or power, or the name of the Company, or by the juxtaposition of two or more objects, businesses or powers and that, in the event of any ambiguity in this clause or elsewhere in this Memorandum of Association, the same shall be resolved by such interpretation and construction as will widen and enlarge and not restrict the objects, businesses and powers of and exercisable by the Company.

- 4. Except as prohibited or limited by the Statute, the Company shall have full power and authority to carry out any object and shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it necessary for the attainment of its objects and whatever else may be considered by it as incidental or conducive thereto or consequential thereon, including, but without in any way restricting the generality of the foregoing, the power to make any alterations or amendments to this Memorandum of Association and the Articles of Association of the Company considered necessary or convenient in the manner set out in the Articles of Association of the Company, and the power to do any of the following acts or things, viz: to pay all expenses of and incidental to the promotion, formation and incorporation of the Company; to register the Company to do business in any other jurisdiction; to

sell, lease or dispose of any property of the Company; to draw, make, accept, endorse, discount, execute and issue promissory notes, debentures, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; to lend money or other assets and to act as guarantors; to borrow or raise money on the security of the undertaking or on all or any of the assets of the Company including uncalled capital or without security; to invest monies of the Company in such manner as the Directors determine; to promote other companies; to sell the undertaking of the Company for cash or any other consideration; to distribute assets in specie to Members of the Company; to make charitable or benevolent donations; to pay pensions or gratuities or provide other benefits in cash or kind to Directors, officers, employees, past or present and their families; to purchase Directors and officers liability insurance and to carry on any trade or business and generally to do all acts and things which, in the opinion of the Company or the Directors, may be conveniently or profitably or usefully acquired and dealt with, carried on, executed or done by the Company in connection with the business aforesaid PROVIDED THAT the Company shall only carry on the businesses for which a licence is required under the Laws of the Cayman Islands when so licensed under the terms of such Laws.

5. The liability of each Member is limited to the amount from time to time unpaid on such Member's shares.
6. The share capital of the Company is US\$50,000.00 divided into 5,000,000,000 shares of a nominal or par value of US\$0.00001 each with power for the Company insofar as is permitted by Law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Statute and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained PROVIDED ALWAYS that, notwithstanding any provision to the contrary contained in this Memorandum of Association, the Company shall have no power to issue bearer shares, warrants, coupons or certificates.
7. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Statute and, subject to the provisions of the Statute and the Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the Laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

We, the undersigned, are desirous of being formed into a Company pursuant to this Memorandum of Association and the Statute, and we hereby agree to take the numbers of shares set opposite our name below.

For and on behalf of
Vistra (Cayman) Limited
Corporation
Of P.O. Box.31119
Grand Pavilion,
Hibiscus Way,
802 West Bay Road,
Grand Cayman,
KY1-1205
Cayman Islands

(Sd.) Authorised Signatory
Teria McLaughlin

Dated [•••]^[th] day of [•••] 2021

WITNESS to the above signature:–

(Sd). Valdreen Lindo
of P.O. Box 31119
Grand Pavilion,
Hibiscus Way,
802 West Bay Road,
Grand Cayman,
KY1-1205,
Cayman Islands

THE COMPANIES ACT (2021 Revision)
Company Limited by Shares

AMENDED AND RESTATED

ARTICLES OF ASSOCIATION OF

EVER HARMONIC GLOBAL LIMITED
永和環球有限公司

1. In these Articles Table A in the Schedule to the Statute does not apply and, unless there be something in the subject or context inconsistent therewith:

“Affiliate”	means, with respect to a Person, (a) in the case where such given Person is not a natural person, any other Person that, directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such Person, and (b) in the case where such given Person is a natural person, (i) an Immediate Family Member of such given Person, or (ii) any other Person that is Controlled by such given Person and his Immediate Family Member(s), whether individually or collectively; provided that none of the Company, City Lead or any Target Group Company shall be considered an “Affiliate” of any Member.
“Articles”	means the Articles as originally framed or as from time to time altered by Special Resolution.
“Auditors”	means the persons for the time being performing the duties of auditors of the Company.
“Business Day”	means a day on which Stock Exchange is open for the transaction of business, but other than any such day on which commercial banks in the PRC are required or authorised by Law to be closed.
“Board”	means the board of directors of the Company.
“City Lead”	means City Lead Developments Limited (城領發展有限公司), a business company incorporated under the Laws of the British Virgin Islands with its registered address at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands.
“Company”	means Ever Harmonic Global Limited (永和環球有限公司).

“Control”	of a given Person means the power or authority, whether exercised or not, to direct the business, management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, which power or authority shall conclusively be presumed to exist upon possession of beneficial ownership or power to direct the vote of more than fifty percent (50%) of the votes entitled to be cast at a meeting of the members or shareholders of such Person or power to control the composition of a majority of the board of directors of such Person; the term “ Controlled ”, “ Controller ” or “ Controlling ” has the meaning correlative to the foregoing.
“Consolidated Affiliate”	means, in respect of a Person, a body corporate which is or is required to be consolidated with such Person pursuant to accounting principles applicable to such Person.
“debenture”	means debenture stock, mortgages, bonds and any other such securities of the Company whether constituting a charge on the assets of the Company or not.
“Directors”	means the directors for the time being of the Company.
“dividend”	includes bonus.
“Encumbrance”	means any mortgage, pledge, lien, charge, hypothecation, encumbrance or other security interest, security agreement or other security arrangement of any kind in favour of the Secured Party including, but not limited to, the Parent Debenture.
“Equity Securities”	means, with respect to a Person, any shares, share capital, registered capital, ownership interest, equity interest, or other securities, and any option, warrant, or right to subscribe for, acquire or purchase any of the foregoing, or any other security or instrument convertible into or exercisable or exchangeable for any of the foregoing, or any equity appreciation, phantom equity, equity plans or similar rights with respect to such Person.
“Facility Agent”	means China CITIC Bank International Limited in its capacity as facility agent under the Facility Agreement, including its successors in title, assigns and transferees.

“Facility Agreement”	means the facility agreement dated 27 March 2020 and entered into between, amongst others, the Facility Agent as the facility agent and the Company as the borrower in respect of a loan facility in an amount of up to HKD1,600,000,000 (as amended from time to time, including pursuant to the second deed of amendment to such facility agreement dated 2 July 2021).
“Finance Document(s)”	has the meaning given to such term in the Facility Agreement.
“Finance Documents Liabilities”	means the full amount of the borrowings and payment of interest payable under the Finance Documents and any other costs, fees, expenses, damages, losses, liabilities or other obligations of Ever Harmonic, City Lead, Target or any of its subsidiaries incurred or suffered under or in connection with the Finance Documents.
“fully paid”	shall bear the meaning as ascribed to it in the Statute.
“Holdco”	means City Lead II Developments Limited (城領II發展有限公司), a company incorporated under the Laws of Cayman Islands with its registered address at Vistra (Cayman) Limited, P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands.
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC.
“Governmental Authority”	means any nation or government or any federation, province or state or any other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of any other country, or any political subdivision thereof, any court, tribunal or arbitrator, and any self-regulatory organisation.
“Governmental Order”	means any applicable order, ruling, decision, verdict, decree, writ, subpoena, mandate, precept, command, directive, consent, approval, award, judgment, injunction or other similar determination or finding by, before or under the supervision of any Governmental Authority.

“Immediate Family Members”	with respect to any natural Person, (a) such Person’s spouse, parents, parents-in-law, grandparents, children, grandchildren, siblings and siblings-in-law (in each case whether adoptive or biological), (b) spouses of such Person’s children, grandchildren and siblings (in each case whether adoptive or biological) and (c) estates, trusts, partnerships and other Persons which directly or indirectly through one or more intermediaries are Controlled by the foregoing.
“Law” or “Laws”	means any constitutional provision, statute or other law, rule, regulation, official policy or interpretation of any Governmental Authority and any Governmental Order.
“Member”	shall bear the meaning as ascribed to it in the Statute.
“month”	means calendar month.
“New Securities”	means any Equity Securities newly issued by the Company, except for (a) any Shares, or any option or warrant to acquire any Shares issued to any employees, officers, consultants or directors of the Company pursuant to a stock option plan, stock purchase plan, or other equity incentive plan; (b) Equity Securities of the Company issued as a dividend or distribution on all Shares on a Pro Rata Basis; and (c) Equity Securities of the Company issued in connection with any share split, share dividend, subdivision, combination, or similar transaction of the Company applicable to all Shares on a Pro Rata Basis.
“Offered Shares”	has the meaning given to it in Article 19(a).
“ordinary resolution”	means a resolution is an ordinary resolution when it has been passed by a simple majority of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as an ordinary resolution has been duly given.
“Outgoing Member”	has the meaning given to it in Article 19(a).
“paid-up”	means paid-up and/or credited as paid-up.
“Parent Debenture”	means the charge in respect of Shares held by City Lead entered on 27 March 2020 between City Lead Developments Limited 城領發展有限公司 and the Secured Party.

“Permitted Transferee”	means, in relation to any Transfer of Equity Securities by a Member:
	(i) any of its Affiliates or any of its Consolidated Affiliates, provided that if at any time following such Transfer, such transferee of the Equity Securities ceases to be an Affiliate or a Consolidated Affiliate of such Member, such transferee shall immediately Transfer such Equity Securities back to the transferring Member; and
	(ii) any Person where such Transfer required by or made pursuant to any Security Document.
“Person”	means any individual, corporation, partnership, limited partnership, proprietorship, association, limited liability company, firm, trust, estate or other enterprise or entity.
“PRC”	means the People’s Republic of China which, for the purposes of these Articles, shall exclude Taiwan, Hong Kong and the Macau Special Administrative Region of the People’s Republic of China.
“Pro Rata Basis” or “Pro Rate Share”	with respect to a Member, shall be equal to a fraction, the numerator of which shall be the aggregate number of Shares held by such Member as at the relevant time, and the denominator of which shall be the total number of Shares held by all Members as at such relevant time.
“Proposed Transferee”	has the meaning given to it in Article 19(a).
“registered office”	means the registered office for the time being of the Company.
“ROFR Exercise Period”	has the meaning given to it in Article 19(b).
“Seal”	means the common seal of the Company and includes every duplicate seal.
“Secretary”	includes an Assistant Secretary and any person appointed to perform the duties of Secretary of the Company.
“Security Document”	has the meaning given to it in the Facility Agreement.
“Secured Party”	means China CITIC Bank International Limited, in its capacity as security agent under and pursuant to the Parent Debenture and any person succeeding or replacing as security agent under the Parent Debenture and, where the context so permits, any person who such Secured Party nominates pursuant to any Encumbrance.

“Secured Share”	means any Share held by City Lead which is subject to Encumbrance.
“Shares”	means the shares in the entire issued share capital of the Company from time to time, together with all rights attaching thereto and includes a fraction of a share.
“Special Resolution”	has the same meaning as in the Statute and includes a resolution approved in writing as described therein.
“Statute”	means the Companies Law of the Cayman Islands as amended and every statutory modification or re-enactment thereof for the time being in force.
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited.
“Target”	means Clear Media Limited, an exempted company incorporated under the Laws of Bermuda with its registered address at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 100).
“Target Group”	means the Target and its subsidiaries from time to time, and “ Target Group Company ” means any one of them.
“Transfer”	means where a Member directly or indirectly sell, assign, transfer, pledge, hypothecate, or otherwise encumber or dispose of in any way any part of any interest in any Equity Securities of the Company.
“written” and “in writing”	include all modes of representing or reproducing words in visible form.

Words importing the singular number only include the plural number and vice versa.
Words importing the masculine gender only include the feminine gender.

Words importing persons only include corporations.

2. The business of the Company may be commenced as soon after incorporation as the Directors shall see fit, notwithstanding that part only of the Shares may have been allotted.
3. The Directors may pay, out of the capital or any other monies of the Company, all expenses incurred in or about the formation and establishment of the Company including the expenses of registration.

CERTIFICATES FOR SHARES

4. Certificates representing Shares of the Company shall be in such form as shall be determined by the Directors. Such certificates may be under Seal. All certificates for Shares shall be consecutively numbered or otherwise identified and shall specify the Shares to which they relate. The name and address of the person to whom the Shares represented thereby are issued, with the number of Shares and date of issue, shall be entered in the register of Members of the Company. All certificates surrendered to the Company for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of Shares shall have been surrendered and cancelled. The Directors may authorise certificates to be issued with the seal and authorised signature(s) affixed by some method or system of mechanical process.
5. Notwithstanding Article 6 of these Articles, if a share certificate be defaced, lost or destroyed, it may be renewed on payment of a fee of one dollar (US\$1.00) or such less sum and on such terms (if any) as to evidence and indemnity and the payment of the expenses incurred by the Company in investigating evidence, as the Directors may prescribe.

ISSUE OF SHARES

6. Subject to the provisions, if any, in that behalf in the Memorandum of Association and to any direction that may be given by the Company in general meeting and without prejudice to any special rights previously conferred on the holders of existing Shares, the Directors may allot, issue, grant options over or otherwise dispose of Shares of the Company (including fractions of a Share) with or without preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise and to such persons, at such times and on such other terms as they think proper PROVIDED ALWAYS that, notwithstanding any provision to the contrary contained in these Articles of Association, the Company shall be precluded from issuing bearer shares, warrants, coupons or certificates.
7. The Company shall maintain a register of its Members and every person whose name is entered as a Member in the register of Members shall be entitled without payment to receive within two months after allotment or lodgement of Transfer (or within such other period as the conditions of issue shall provide) one certificate for all his Shares or several certificates each for one or more of his Shares upon payment of fifty cents (US\$0.50) for every certificate after the first or such less sum as the Directors shall from time to time determine provided that in respect of a Share or Shares held jointly by several persons the Company shall not be bound to issue more than one certificate and delivery of a certificate for a Share to one of the several joint holders shall be sufficient delivery to all such holders.

PRE-EMPTIVE RIGHTS

8. (a) The Company may, subject to Article 70, from time to time propose to sell or issue any New Securities, and the Company hereby grants each Member a right to purchase up to its Pro Rata Share of such New Securities on the terms and conditions set out in this Article 8 (the “**Pre-emptive Rights**”).
- (b) In the event that the Company proposes to undertake an issuance of New Securities, it shall give each Member a written notice (a “**First Participation Notice**”) of such intention, describing (i) the type of New Securities, (ii) the identity of the prospective subscriber(s), and (iii) the price and the general terms upon which the Company proposes to issue the same. Each of the Members shall have the right to, within fifteen (15) Business Days after the receipt of the First Participation Notice (the “**First Participation Period**”), elect to purchase up to such Member’s respective Pro Rata Share of such New Securities for the price and upon the terms specified in the notice by giving written notice to the Company and stating therein the quantity of New Securities to be purchased.
- (c) If any Member fails to exercise its Pre-emptive Rights in full in accordance with Article 8(b), the Company shall promptly, and in any event within five (5) Business Days after the expiration of the First Participation Period, give the Member(s) who has exercised its Pre-emptive Rights in full in accordance with Article 8(b) (if any) (the “**Oversubscription Participant**”) a written notice (a “**Second Participation Notice**”) specifying the aggregate number of unsubscribed New Securities that remain eligible for subscription by the Oversubscription Participant (the “**Remaining New Securities**”). The Oversubscription Participant shall have the right (the “**Oversubscription Rights**”) to, within five (5) Business Days following the date of the Second Participation Notice (the “**Second Participation Period**”), notify the Company of its desire to subscribe for all or part of the Remaining New Securities by stating the number of Remaining New Securities it proposes to subscribe for (the “**Additional New Securities**”). If there is more than one Oversubscription Participant who has exercised its Oversubscription Rights, each such Oversubscription Participant shall be entitled to subscribe for such number of Remaining New Securities in proportion to the number of Additional New Securities it proposes to subscribe for as compared to the total number of Additional New Securities all such Oversubscription Participants propose to subscribe for.
- (d) In the event that any Member(s) has exercised any part of its Pre-emptive Rights and if applicable, Oversubscription Rights in accordance with Article 8, the issuance of New Securities to such Member(s) shall be consummated within ninety (90) days following the expiration of (i) the Second Participation Period, unless no Member has exercised its Pre-emptive Rights in full within the First Participation Period or all Members have exercised their respective Pre-emptive Rights in full within the First Participation Period, in which case (ii) the First Participation Period.

- (e) If any Member(s) has not exercised its Pre-emptive Rights or Oversubscription Rights in full, the Company shall have the right to, for a period of ninety (90) days following the expiration of (i) the Second Participation Period, unless no Member has exercised its Pre-emptive Rights in full during the First Participation Period, in which case (ii) the First Participation Period, issue any New Securities with respect to which the Members' Pre-emptive Rights or Oversubscription Rights under this Article 8 were not exercised, to the subscriber(s) identified in the First Participation Notice and at a price and upon terms not more favorable to the subscriber(s) thereof than as specified in the First Participation Notice. In the event the Company has not sold such New Securities within such ninety (90) day period, the Company shall not thereafter issue or sell any New Securities, without first again offering such securities to the Members in the manner provided in this Article 8.

TRANSFER OF SHARES

9. The instrument of transfer of any Share shall be in writing and shall be executed by or on behalf of the transferor and the transferor shall be deemed to remain the holder of a Share until the name of the transferee is entered in the register in respect thereof.
10. The Directors may in their absolute discretion decline to register any Transfer of Shares without assigning any reason therefor. If the Directors refuse to register a Transfer they shall notify the transferee within two months of such refusal.
11. The registration of Transfers may be suspended at such time and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than 45 days in any year.
- 11A. Notwithstanding anything contained in these Articles, the Directors shall:
- (a) promptly register any transfer of Secured Shares which is made pursuant to the terms of any Encumbrance;
 - (b) not register a transfer of any Secured Shares (other than a transfer of Secured Shares made pursuant to (a) above) without the prior written consent of the Secured Party;
 - (c) not suspend or unreasonably delay registration of any transfer of Secured Shares made pursuant to (a) above.
12. No Member shall Transfer any part of any interest in any Equity Securities of the Company unless the provisions of Article 19 and Article 20 have been complied with, or those provisions do not apply to the Transfer in accordance with Article 13.
- 12A. Notwithstanding the provisions of Articles 12, 19 and 20 or any other provisions contained in the Articles, no transfer restriction shall be applicable to any Transfer required under or made pursuant to any Encumbrance or be applicable to any transferee of any Secured Shares under or made pursuant to any Encumbrance.

13. The provisions of Article 19 and Article 20 shall not apply to any Transfer of any Equity Securities of the Company by any Member to any of its Affiliates or any of its Consolidated Affiliates, provided that if at any time following such Transfer, such transferee of the Equity Securities ceases to be an Affiliate or a Consolidated Affiliate of such Member, such transferee shall immediately Transfer such Equity Securities back to the transferring Member.
14. To the extent that the Members have not exercised their rights in full to purchase all Offered Shares within the time periods specified in Article 19, then subject to the Co-Sale Right of the Holdco pursuant to Article 20, if applicable, the Outgoing Member shall have a period of ninety (90) days from the expiration of the ROFR Exercise Period in which to sell the remaining Offered Shares that have not been taken up under Article 19 (and, if applicable, after further deducting the number of Shares required to be so deducted pursuant to Article 20(b)), to the Proposed Transferee identified in the Transfer Notice upon terms and conditions (including the purchase price) no more favorable to the Proposed Transferee than those specified in the Transfer Notice, so long as any such sale is effected in accordance with any applicable securities Laws.
15. In the event the Outgoing Member does not consummate the sale or disposition of any Offered Shares within the ninety (90) day period specified in Article 14, the rights of the Members under Article 19 and Article 20 shall be re-invoked and shall be applicable to any subsequent disposition of such Offered Shares by the Outgoing Member until such rights lapse in accordance with the terms of these Articles.
16. The exercise or non-exercise of the rights of the Members under Article 19 and Article 20 to purchase Equity Securities of the Company from an Outgoing Member shall not adversely affect their rights to make subsequent purchases from any Outgoing Member.
17. In respect of the Holdco and any successor in title or transferee of the Shares held by the Holdco only, any direct or indirect Transfer or sale of any Equity Securities of the Company (or any interest therein) held by the Holdco and any successor in title or transferee of the Shares held by the Holdco (including any Transfer, sale or issuance of Equity Securities of the Holdco or such successor in title or transferee, and of any direct or indirect holder of Equity Securities of the Holdco or such successor in title or transferee) shall be deemed to be a Transfer or sale of Equity Securities of the Company by the Holdco or such successor in title or transferee and therefore is subject to the ROFR of the other Member of the Company.
18. Notwithstanding anything contained in these Articles, the Directors shall:
 - (a) promptly register any Transfer of Secured Shares which is made pursuant to the terms of any Encumbrance;
 - (b) not register a Transfer of any Secured Shares (other than a Transfer of Secured Shares made pursuant to (a) above) without the prior written consent of the Secured Party;
 - (c) not suspend or unreasonably delay registration of any Transfer of Secured Shares made pursuant to (a) above.

18A. Notwithstanding anything contained in these Articles, any Secured Share shall be exempt from any present or future lien in favour of the Company that would otherwise have arisen under these Articles and the Company shall not assert any lien against any Secured Share while it remains subject to an Encumbrance.

RIGHT OF FIRST REFUSAL

19. (a) Subject to other provisions in this Article 19 and without prejudice to the Secured Party's right to enforce any Secured Share, if any Member (the "**Outgoing Member**") proposes to Transfer any of its Equity Securities to any Person other than a Permitted Transferee (a "**Proposed Transferee**") (a "**Third Party Sale**"), then the Outgoing Member shall issue a written notice (the "**Transfer Notice**") to the Company and the other Member(s) (the "**Continuing Member(s)**") prior to the consummation of such Transfer. The Transfer Notice shall describe in reasonable detail the proposed Third Party Sale, including without limitation, (i) the name and address of the Proposed Transferee, (ii) the number of Shares proposed to be Transferred to the Proposed Transferee (the "**Offered Shares**"), (iii) the proposed cash price per Share to be paid by the Proposed Transferee for such Offered Shares (the "**ROFR Offer Price**"), and (iv) any other material terms of the Third Party Sale. The Transfer Notice shall also be accompanied with copies of any written proposal, term sheet or letter of intent or other agreement relating to the proposed Third Party Sale. The issuance of a Transfer Notice shall constitute an offer by the Outgoing Member to Transfer to the Continuing Member all or part of the Offered Shares for a cash price equal to the ROFR Offer Price and on such other terms and conditions as set out in the Transfer Notice.
- (b) The Continuing Member shall have the right ("**ROFR**") to, within ten (10) Business Days following receipt of the Transfer Notice (the "**ROFR Exercise Period**"), elect to purchase all or any portion of the Offered Shares set out in the Transfer Notice at the same price and subject to the same material terms and conditions as described in the Transfer Notice, by notifying the Outgoing Member and the Company in writing before expiration of the ROFR Exercise Period as to the number of such Offered Shares that it wishes to purchase ("**Accepted Offered Shares**"). If there is more than one Continuing Member who has exercised its ROFR and the total number of the Accepted Offered Shares of all such Continuing Members is larger than the number of Offered Shares, each such Continuing Member shall be entitled to purchase such number of Offered Shares in proportion to the number of Shares held by it as compared to the total number of Shares held by all such Continuing Members.

- (c) If the Continuing Member(s) gives the Outgoing Member notice that it desires to purchase the Offered Shares, then payment for the Offered Shares to be purchased shall be made by wire transfer in immediately available funds of the appropriate currency, against delivery of such Offered Shares to be purchased, at a place agreed to by the Outgoing Member and the Continuing Member and at the time of the scheduled closing therefor, no later than ninety (90) days after the Company's receipt of the Transfer Notice. The Outgoing Member shall not terminate or withdraw any Transfer Notice after the Continuing Member has notified the Outgoing Member of its wish to purchase the Offered Shares in accordance with Article 19(b).
- (d) The Holdco shall not recognize, register or effect any transfer, sale or issuance of any Equity Securities of the Holdco (the "**Holdco Shares**") unless, before a holder of such Holdco Shares (the "**Holdco Selling Shareholder**") transfers its Holdco Shares (or before the Holdco issues any new Holdco Shares) to any third party, the Holdco Selling Shareholder (or the Holdco) has offered such Holdco Shares, by way of a transfer notice, to City Lead on the same terms which the Holdco Selling Shareholder (or the Holdco) offers to or is offered by that third party. If City Lead does not wish to purchase the Holdco Shares within 10 Business Days following receipt of the transfer notice, the Holdco Selling Shareholder may transfer the Holdco Shares (or the Holdco may issue such new Holdco Shares) on no more favourable terms to such third party within 30 Business Days following the date of the transfer notice, and only in such circumstances the Holdco may recognize, register or effect such transfer, sale or issuance of any Holdco Shares to such third party.

CO-SALE RIGHTS

- 20. (a) With respect to a Transfer of Equity Securities of the Company held by City Lead, to the extent the Holdco does not exercise its rights of first refusal as to any of the Offered Shares proposed to be sold by City Lead to the Proposed Transferee identified in the Transfer Notice of City Lead, the Holdco shall have the right to participate in such Third Party Sale in respect of the Offered Shares at the same price and subject to the terms of this Article 20 and the same material terms and conditions as described in the Transfer Notice (the "**Co-Sale Right**").
- (b) To exercise its Co-Sale Right, the Holdco may notify City Lead in writing within ten (10) Business Days following the date of the Transfer Notice. The Holdco's notice to City Lead shall indicate the number of Shares it wishes to sell under its Co-Sale Right in accordance with Article 20(c). To the extent (i) the Holdco exercises such Co-Sale Right in accordance with this Article 20 and (ii) City Lead is unable to procure the Proposed Transferee to increase the total number of Shares it wishes to acquire to take up the Shares that the Holdco wishes to sell within ten (10) Business Days following the Holdco's notice to City Lead referred to above, the number of Offered Shares that City Lead may sell in the Third Party Sale to the Proposed Transferee shall be correspondingly reduced so as to ensure the number of Shares elected to be sold by the Holdco in accordance with this Article 20 can be fully taken up by the Proposed Transferee.

- (c) The total number of Shares that the Holdco may elect to sell shall be up to the product of (i) the total number of the Shares proposed to be acquired by the Proposed Transferee (which, for the avoidance of doubt, can be more than the number of Shares held by City Lead), and (ii) a fraction, the numerator of which is the number of Shares held by the Holdco on the date of the Transfer Notice and the denominator of which is the total number of Shares held by the Holdco and City Lead on the date of the Transfer Notice.
- (d) The Holdco shall effect its exercise of the Co-Sale Right by promptly delivering to City Lead, before the applicable closing between City Lead and the Proposed Transferee, a signed instrument of transfer in respect of the Transfer of the number of Shares which the Holdco elects to sell to the Proposed Transferee, all share certificates which represent the number of Shares which the Holdco elects to sell in accordance with this Article 20, and any other documents reasonably required to consummate the Third Party Sale.
- (e) The share certificate(s) that the Holdco delivers to City Lead pursuant to Article 20(d) shall be delivered by City Lead to the Company for surrender and cancellation and City Lead shall deliver to the Proposed Transferee any required transfer instruments, board resolutions of the Company or other documentation in consummation of the sale of the Shares pursuant to the terms and conditions specified in the Transfer Notice, and City Lead shall procure the Proposed Transferee to remit to the Holdco the sale proceeds to which the Holdco is entitled by reason of its exercise of the Co-Sale Right. The Company shall update its register of members to effect the consummation of any such Transfer and, if applicable, arrange to prepare new share certificates or certificates for the transferee with respect to such Shares.

REDEEMABLE SHARES

- 21. (a) Subject to the provisions of the Statute and the Memorandum of Association, Shares may be issued on the terms that they are, or at the option of the Company or the holder are, to be redeemed on such terms and in such manner as the Company, before the issue of the Shares, may by Special Resolution determine and the rights attaching to any issued Shares may, subject to the provisions of these Articles, by Special Resolution, be varied so as to provide that such Shares are to be or are liable to be so redeemed.
- (b) Subject to the provisions of the Statute and the Memorandum of Association, the Company may purchase its own Shares (including fractions of a share), including any redeemable Shares, provided that the manner of purchase has first been authorised by the Company in general meeting and may make payment therefor in any manner authorised by the Statute, including out of capital and provided that the Company may not redeem or purchase any of its Shares if, as a result of the redemption or purchase, there would no longer be any issued Shares of the Company other than Shares held as treasury shares.

22. Subject to the provisions of these Articles, the manner and any of the terms of any such redemption or purchase of Shares may be determined by either the Company by ordinary resolution or by the Directors. The Company may make a payment in respect of the redemption or purchase of its own Shares otherwise than out of its profits, share premium account, or the proceeds of a fresh issue of Shares.

TREASURY SHARES

23. The Company may, subject to the provisions of the Law, acquire, hold and dispose of its own Shares as treasury Shares.

VARIATION OF RIGHTS OF SHARES

24. If at any time the share capital of the Company is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued Shares of that class, or with the sanction of a Special Resolution passed at a general meeting of the holders of the Shares of that class.

The provisions of these Articles relating to general meetings shall apply to every such general meeting of the holders of one class of Shares except that the necessary quorum shall be one person holding or representing by proxy at least one-third of the issued Shares of the class and that any holder of Shares of the class present in person or by proxy may demand a poll.

25. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

COMMISSION ON SALE OF SHARES

26. The Company may in so far as the Statute from time to time permits pay a commission to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any Shares of the Company. Such commissions may be satisfied by the payment of cash or the lodgement of fully or partly paid-up Shares or partly in one way and partly in the other. The Company may also on any issue of Shares pay such brokerage as may be lawful.

NON-RECOGNITION OF TRUSTS

27. No person shall be recognised by the Company as holding any Share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future, or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as is otherwise provided by these Articles or the Statute) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.

27A. Notwithstanding anything contained in these Articles, any Secured Share shall be exempt from:

- (a) the provisions of these Articles relating to forfeiture; and
- (b) any present or future call upon the Members by the Company that would otherwise have arisen under these Articles and the Company shall not make any call in respect of any Secured Share while it remains subject to an Encumbrance.

LIEN ON SHARES

- 28. The Company shall have a first and paramount lien and charge on all Shares (whether fully paid-up or not) registered in the name of a Member (whether solely or jointly with others) for all debts, liabilities or engagements to or with the Company (whether presently payable or not) by such Member or his estate, either alone or jointly with any other person, whether a Member or not, but the Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article. The registration of a Transfer of any such Share shall operate as a waiver of the Company's lien (if any) thereon. The Company's lien (if any) on a Share shall extend to all dividends or other monies payable in respect thereof.
- 29. Notwithstanding anything contained in these Articles, any Secured Share shall be exempt from any present or future lien in favour of the Company that would otherwise have arisen under these Articles and the Company shall not assert any lien against any Secured Share while it remains subject to an Encumbrance.
- 30. The Company may sell, in such manner as the Directors think fit, any Shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder or holders for the time being of the Share, or the person, of which the Company has notice, entitled thereto by reason of his death or bankruptcy.
- 31. To give effect to any such sale the Directors may authorise some person to Transfer the Shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the Shares comprised in any such Transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 32. The proceeds of such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Shares before the sale) be paid to the person entitled to the Shares at the date of the sale.

CALL ON SHARES

33. (a) The Directors may from time to time make calls upon the Members in respect of any monies unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium or otherwise) and not by the conditions of allotment thereof made payable at fixed terms, provided that no call shall be payable at less than one month from the date fixed for the payment of the last preceding call, and each Member shall (subject to receiving at least fourteen (14) days notice specifying the time or times of payment) pay to the Company at the time or times so specified the amount called on the Shares. A call may be revoked or postponed as the Directors may determine. A call may be made payable by instalments.
- (b) A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.
- (c) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
34. If a sum called in respect of a Share is not paid before or on a day appointed for payment thereof, the persons from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding ten per cent per annum as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest either wholly or in part.
35. Any sum which by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium or otherwise, shall for the purposes of these Articles be deemed to be a call duly made, notified and payable on the date on which by the terms of issue the same becomes payable, and in the case of non-payment all the relevant provisions of these Articles as to payment of interest forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
36. The Directors may, on the issue of Shares, differentiate between the holders as to the amount of calls or interest to be paid and the times of payment.
37. (a) The Directors may, if they think fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any Shares held by him, and upon all or any of the monies so advanced may (until the same would but for such advances, become payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) seven per cent per annum, as may be agreed upon between the Directors and the Member paying such sum in advance.
- (b) No such sum paid in advance of calls shall entitle the Member paying such sum to any portion of a dividend declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.

FORFEITURE OF SHARES

38. (a) If a Member fails to pay any call or instalment of a call or to make any payment required by the terms of issue on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call, instalment or payment remains unpaid, give notice requiring payment of so much of the call, instalment or payment as is unpaid, together with any interest which may have accrued and all expenses that have been incurred by the Company by reason of such non-payment. Such notice shall name a day (not earlier than the expiration of fourteen days from the date of giving of the notice) on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time appointed the Shares in respect of which such notice was given will be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited Share and not actually paid before the forfeiture.

- (b) A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.
39. Notwithstanding anything contained in these Articles, any Secured Share shall be exempt from:
- (a) the provisions of these Articles relating to forfeiture; and
- (b) any present or future call upon the Members by the Company that would otherwise have arisen under these Articles and the Company shall not make any call in respect of any Secured Share while it remains subject to an Encumbrance.
40. A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding, remain liable to pay to the Company all monies which, at the date of forfeiture were payable by him to the Company in respect of the Shares together with interest thereon, but his liability shall cease if and when the Company shall have received payment in full of all monies whenever payable in respect of the Shares.
41. A certificate in writing under the hand of one Director or the Secretary of the Company that a Share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the fact therein stated as against all persons claiming to be entitled to the Share. The Company may receive the consideration given for the Share on any sale or disposition thereof and may execute a Transfer of the Share in favour of the person to whom the Share is sold or disposed of and he shall thereupon be registered as the holder of the Share and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

42. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

REGISTRATION OF EMPOWERING INSTRUMENTS

43. The Company shall be entitled to charge a fee not exceeding one dollar (US\$1.00) on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, notice in lieu of distringas, or other instrument.

TRANSMISSION OF SHARES

44. In case of the death of a Member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the Shares, but nothing herein contained shall release the estate of any such deceased holder from any liability in respect of any Shares which had been held by him solely or jointly with other persons.
45. (a) Any person becoming entitled to a Share in consequence of the death or bankruptcy or liquidation or dissolution of a Member (or in any other way than by Transfer) may, upon such evidence being produced as may from time to time be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the Share or to make such Transfer of the Share to such other person nominated by him as the deceased or bankrupt person could have made and to have such person registered as the transferee thereof, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a Transfer of the Share by that Member before his death or bankruptcy as the case may be.
- (b) If the person so becoming entitled shall elect to be registered himself as holder he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
46. A person becoming entitled to a Share by reason of the death or bankruptcy or liquidation or dissolution of the holder (or in any other case than by Transfer) shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company PROVIDED HOWEVER that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to Transfer the Share and if the notice is not complied with within ninety days the Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Share until the requirements of the notice have been complied with.

**AMENDMENT OF MEMORANDUM OF ASSOCIATION, CHANGE OF LOCATION
OF REGISTERED OFFICE & ALTERATION OF CAPITAL**

47. (a) Subject to and in so far as permitted by the provisions of the Statute, the Company may from time to time by ordinary resolution alter or amend its Memorandum of Association otherwise than with respect to its name and objects and may, without restricting the generality of the foregoing:
- (i) increase the share capital by such sum to be divided into Shares of such amount or without nominal or par value as the resolution shall prescribe and with such rights, priorities and privileges annexed thereto, as the Company in general meeting may determine.
 - (ii) consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares;
 - (iii) by subdivision of its existing Shares or any of them divide the whole or any part of its share capital into Shares of smaller amount than is fixed by the Memorandum of Association or into Shares without nominal or par value;
 - (iv) cancel any Shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.
- (b) All new Shares created hereunder shall be subject to the same provisions with reference to the payment of calls, liens, Transfer, transmission, forfeiture and otherwise as the Shares in the original share capital.
- (c) Subject to the provisions of the Statute, the Company may by Special Resolution change its name or alter its objects.
- (d) Without prejudice to Article 24 hereof and subject to Article 70 and the provisions of the Statute, the Company may by Special Resolution reduce its share capital and any capital redemption reserve fund.
- (e) Subject to the provisions of the Statute, the Company may by resolution of the Directors change the location of its registered office.

CLOSING REGISTER OF MEMBERS OR FIXING RECORD DATE

48. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any dividend, or in order to make a determination of Members for any other proper purpose, the Directors of the Company may provide that the register of Members shall be closed for Transfers for a stated period but not to exceed in any case 40 days. If the register of Members shall be so closed for the purpose of determining Members entitled to notice of or to vote at a meeting of Members such register shall be so closed for at least ten days immediately preceding such meeting and the record date for such determination shall be the date of the closure of the register of Members.

49. In lieu of or apart from closing the register of Members, the Directors may fix in advance a date as the record date for any such determination of Members entitled to notice of or to vote at a meeting of the Members and for the purpose of determining the Members entitled to receive payment of any dividend the Directors may, at or within 90 days prior to the date of declaration of such dividend fix a subsequent date as the record date for such determination.
50. If the register of Members is not so closed and no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of Members or Members entitled to receive payment of a dividend, the date on which notice of the meeting is mailed or the date on which the resolution of the Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this section, such determination shall apply to any adjournment thereof.

GENERAL MEETINGS

51. (a) Subject to paragraph (b) hereof, the Company shall hold no less than one (1) general meeting during each fiscal year. The Board may convene meetings of the Members at such times and in such manner and places within or outside the Cayman Islands as the Board considers necessary or desirable.
- (b) If the Company is exempted as defined in the Statute it may but shall not be obliged to hold an annual general meeting.
52. (a) The Directors may whenever they think fit, and they shall on the requisition of Members of the Company holding at the date of the deposit of the requisition not less than 10% of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, proceed to convene a general meeting of the Company.
- (b) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the registered office of the Company and may consist of several documents in like form each signed by one or more requisitionists.
- (c) If the Directors do not within twenty-one (21) days from the date of the deposit of the requisition duly proceed to convene a general meeting, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a general meeting, but any meeting so convened shall not be held after the expiration of three months after the expiration of the said twenty-one (21) days.
- (d) A general meeting convened as aforesaid by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by Directors.

NOTICE OF GENERAL MEETINGS

53. Written notice of all general meetings shall be given not less than fifteen (15) Business Days in advance (which notice period may be shortened by the written waiver of, or actual attendance at such general meeting without objection by, all the Members) to:
 - (a) those Members whose names on the date the notice is given appear as Members in the register of members and are entitled to vote at the meeting; and
 - (b) the Directors.
54. The Board may fix as the record date for determining those Members that are entitled to vote at the meeting the date notice is given of the meeting, or such other date as may be specified in the notice, being a date not earlier than the date of the notice.
55. A meeting of Members held in contravention of the requirement to give notice is valid if all Members have waived notice of the meeting and, for this purpose, the presence of a Member at the meeting shall constitute waiver in relation to all the Shares which that Member holds.
56. The inadvertent failure of the Board to give notice of a meeting to a Member or a Director, or the fact that a Member or a Director has not received notice, does not invalidate the meeting.

PROXY

57. A Member may be represented at a meeting of Members by a proxy who may speak and vote on behalf of the Member.
58. The instrument appointing a proxy shall be produced at the place designated for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote. The notice of the meeting may specify an alternative or additional place or time at which the proxy shall be presented.
59. The instrument appointing a proxy shall be in substantially the following form or such other form as the chairman of the meeting shall accept as properly evidencing the wishes of the Member appointing the proxy.

EVER HARMONIC GLOBAL LIMITED

(the “Company”)

I/We,, being a Member of the Company HEREBY APPOINT of or failing him of to be my/our proxy to vote for me/us at the meeting of Members to be held on the day of, 20..... and at any adjournment thereof.

(Any restrictions on voting to be inserted here.)

Signed this day of, 20.....

.....

Member

VOTES OF MEMBERS

60. The following applies where Shares are jointly owned:
- (a) if two or more persons hold Shares jointly each of them may be present in person or by proxy at a meeting of Members and may speak as a Member;
 - (b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and
 - (c) if two or more of the joint owners are present in person or by proxy they must vote as one.

PROCEEDINGS AT GENERAL MEETINGS

61. A quorum for a general meeting shall require a representative (in person or by proxy) of at least two Members, provided always that if the Company has one Member of record the quorum shall be that one Member present in person or by proxy.
62. If a quorum is not present within one (1) hour of the scheduled start of the general meeting, such meeting shall adjourn and reconvene five (5) Business Days later, at the same place and at the same time, and the Members present in such reconvened general meeting shall constitute a quorum.
63. At every general meeting, the Chairman of the Board shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present at the meeting, the Members present shall choose one of them to be the chairman. If the Members are unable to choose a chairman for any reason, then the person representing the greatest number of voting Shares present in person or by proxy at the meeting shall preside as chairman failing which the oldest individual Member or representative of a Member present shall take the chair.

64. The chairman may, with the consent of the meeting, adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
65. At any general meeting a resolution put to the vote of the meeting shall be decided on a poll.
66. The result of the poll shall be deemed to be the resolution of the general meeting at which the poll was demanded.
67. Subject to Article 70 or unless otherwise required by applicable Laws, any action, determination or resolution of the Members shall require the affirmative vote of holders of a majority of the Shares present at a meeting at which a valid quorum is present.
68. In the case of an equality of votes, the Chairman of the general meeting shall not be entitled to a second or casting vote.
69. A resolution (including a Special Resolution) in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorised representatives), without the need for any notice, shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the date upon which the last Member has consented to the resolution by signed counterparts.
70. In addition to the requirements of passing a resolution of Members or a resolution of Directors and any other provisions provided by Statute and/or these Articles, the Company shall not, and each Member shall cause the Company not to, take any of the actions, or permit to occur, approve, authorise, agree, or undertake to do any of such actions set out in this Article 70 without obtaining the prior written consent of each of City Lead and the Holdco (including their respective transferees whose Transfers have been made in accordance with these Articles):
 - (a) the dissolution, liquidation or winding up of the Company;
 - (b) the repurchase or redemption of the Shares by the Company;
 - (c) the issuance of any preferred shares or preferred securities by the Offeror;
 - (d) establishment of a voting mechanism which would entitle certain Shares to have different voting rights; and
 - (e) any material change to the nature of business of the Company and the Target Group as a whole,

provided further that nothing in this Article 70 shall restrict or be construed to restrict the taking of any action by the Secured Party or any receiver appointed by the Secured Party pursuant to any Security Document.

DIRECTORS

71. The Directors shall be elected by ordinary resolution of Members.
72. The Company shall have a Board consisting of up to five (5) Directors.
73. No person shall be appointed as a Director or alternate Director of the Company unless he has consented in writing to be a Director or alternate Director respectively.
74. Each Director holds office for the term, if any, fixed by the resolution of Members appointing him, or until his earlier death, resignation or removal. If no term is fixed on the appointment of a Director, the Director serves indefinitely until his earlier death, resignation or removal.
75. A Director may resign his office by giving written notice of his resignation to the Company and the resignation has effect from the date the notice is received by the Company or from such later date as may be specified in the notice. A Director shall resign forthwith as a director if he is, or becomes, disqualified from acting as a director under the Statute.
76. A vacancy in relation to directors occurs if a director dies or otherwise ceases to hold office prior to the expiration of his term of office. The continuing directors may act notwithstanding any vacancy in their body.
77. The Directors may, by resolution of Directors, fix the emoluments of directors with respect to services to be rendered in any capacity to the Company.
78. A Director is not required to hold a Share as a qualification to office.

ALTERNATE DIRECTORS

79. A Director may, by notice in writing to the Company, from time to time appoint another Director or another person who is not disqualified for appointment as a Director under the Statute to be his alternate to:
 - (a) exercise the appointing Director's powers; and
 - (b) carry out the appointing Director's responsibilities,in relation to the taking of decisions by the Directors in the absence of the appointing Director.
80. No person shall be appointed as an alternate Director unless he has consented in writing to be an alternate Director. The appointment of an alternate Director does not take effect until written notice of the appointment has been deposited at the registered office of the Company.

81. The appointing Director may, at any time, terminate or vary the alternate's appointment. The termination or variation of the appointment of an alternate Director does not take effect until written notice of the termination or variation has been deposited at the registered office of the Company, save that if a Director shall die or cease to hold the office of Director, the appointment of his alternate shall thereupon cease and terminate immediately without the need of notice.
82. An alternate Director has no power to appoint an alternate, whether of the appointing Director or of the alternate Director.
83. An alternate Director has the same rights as the appointing Director in relation to any Directors' meeting and any written resolution of Directors circulated for written consent. Unless stated otherwise in the notice of the appointment of the alternate, or a notice of variation of the appointment, if undue delay or difficulty would be occasioned by giving notice to a Director of a resolution of which his approval is sought in accordance with these Articles his alternate (if any) shall be entitled to signify approval of the same on behalf of that Director. Any exercise by the alternate Director of the appointing Director's powers in relation to the taking of decisions by the Directors is as effective as if the powers were exercised by the appointing Director. An alternate Director does not act as an agent of or for the appointing Director and is liable for his own acts and omissions as an alternate Director.
84. The remuneration of an alternate Director (if any) shall be payable out of the remuneration payable to the Director appointing him (if any), as agreed between such alternate and the Director appointing him.

POWERS AND DUTIES OF DIRECTORS

85. The business of the Company shall be managed by the Directors (or a sole Director if only one is appointed) who may pay all expenses incurred in promoting, registering and setting up the Company, and may exercise all such powers of the Company that are not inconsistent with the Statute, these Articles, or such regulations as may be prescribed by the Company in general meeting required to be exercised by the Company in general meeting PROVIDED HOWEVER that no regulations made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.
86. The Directors may from time to time and at any time by powers of attorney appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorneys as the Directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

87. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Directors shall from time to time by resolution determine.
88. The Directors shall cause minutes to be made in books provided for the purpose:
- (a) of all appointments of officers made by the Directors;
 - (b) of the names of the Directors (including those represented thereat by an alternate or by proxy) present at each meeting of the Directors and of any committee of the Directors;
 - (c) of all resolutions and proceedings at all meetings of the Company and of the Directors and of committees of Directors.
89. The Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Company or to his widow or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.
90. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

MANAGEMENT

91. (a) The Directors may from time to time provide for the management of the affairs of the Company in such manner as they shall think fit and the provisions contained in the two next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.
- (b) The Directors from time to time and at any time may establish any committees, local boards or agencies for managing any of the affairs of the Company and may appoint any persons to be members of such committees or local boards or any managers or agents and may fix their remuneration. The Directors from time to time and at any time may delegate to any such committee, local board, manager or agent any of the powers, authorities and discretions for the time being vested in the Directors and may authorise the members for the time being of any such local board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit and the Directors may at any time remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

- (c) Any such delegates as aforesaid may be authorised by the Directors to subdelegate all or any of the powers, authorities, and discretions for the time being vested in them.

PROCEEDINGS OF DIRECTORS

92. Upon the request of any Director, the Chairman of the Board shall convene a meeting of the Board by giving each Director written notice of the proposed meeting and time and place thereof. Questions arising at any meeting shall be decided by a majority of votes of the Directors and alternate Directors present at a meeting at which there is a quorum, the vote of an alternate Director not being counted if his appointor be present at such meeting. In case of an equality of votes, the Chairman shall not have a second or casting vote.
93. The Directors or any committee thereof may meet at such times and in such manner and places within or outside the Cayman Islands as the Directors may determine to be necessary or desirable.
94. A Director is deemed to be present at a Board meeting if he participates by means of telephone or video conference or other communication device that permits all the Directors participating in the meetings to hear and be heard by each other or any other means unanimously approved by the Directors and permitted under applicable Laws.
95. Written notice of all Board meetings shall be given not less ten (10) Business Days in advance (which notice period may be shortened by the written waiver of, or actual attendance at such Board meeting without objection by, all the Directors).
96. A quorum for a Board meeting shall consist of four (4) Directors for the time being. If a quorum is not present within one (1) hour of the scheduled start of the meeting of the Board, such meeting shall adjourn and reconvene five (5) Business Days later at the same place and at the same time, and the Directors present in such reconvened meeting of the Board shall constitute a quorum.
97. The Company shall promptly reimburse each member of the Board that participates in or attends Board and/or committee meetings for all reasonable, documented expenses incurred in connection with such participation or attendance.
98. If the Company has only one Director, the provisions herein contained for meetings of Directors do not apply and such sole Director has full power to represent and act for the Company in all matters as are not by the Statute, the Memorandum or the Articles required to be exercised by the Members. In lieu of minutes of a meeting, the sole Director shall record in writing and sign a note or memorandum of all matters requiring a resolution of Directors. Such a note or memorandum constitutes sufficient evidence of such resolution for all purposes.

99. The Directors may elect a Chairman of their Board and determine the period for which he is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of them to be Chairman of the meeting. In the case of an equality of votes, the Chairman shall not have a second or casting vote.
100. An action that may be taken by the Directors or a committee of Directors at a meeting may also be taken by a resolution of Directors or a resolution of a committee of Directors consented to in writing or by telex, telegram, cable or other written electronic communication by all of the Directors or by all of the members of the committee, as the case may be, without the need for any notice. A written resolution consented to in such manner may consist of several documents, including written electronic communication, in like form each signed or assented to by one or more Directors. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the date upon which the last Director has consented to the resolution by signed counterparts.

VACATION OF OFFICE OF DIRECTOR

101. The office of a Director shall be vacated:
- (a) if he gives notice in writing to the Company that he resigns the office of Director;
 - (b) if he absents himself (without being represented by proxy or an alternate Director appointed by him) from three consecutive meetings of the Board without special leave of absence from the Directors, and the Board passes a resolution that he has by reason of such absence vacated his office;
 - (c) if he dies, becomes bankrupt or makes any arrangement or composition with his creditors generally;
 - (d) if he is found a lunatic or becomes of unsound mind.

PRESUMPTION OF ASSENT

102. A Director of the Company who is present at a meeting of the Board at which action on any Company matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the Minutes of the meeting or unless he shall file his written dissent from such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to such person immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favour of such action.

SEAL

103. (a) The Company may, if the Directors so determine, have a Seal which shall, subject to paragraph (c) hereof, only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf and every instrument to which the Seal has been affixed shall be signed by one person who shall be either a Director or the Secretary or Secretary-Treasurer or some person appointed by the Directors for the purpose.
- (b) The Company may have for use in any place or places outside the Cayman Islands a duplicate Seal or Seals each of which shall be a facsimile of the Common Seal of the Company and, if the Directors so determine, with the addition on its face of the name of every place where it is to be used.
- (c) A Director, Secretary or other officer or representative or attorney may without further authority of the Directors affix the Seal of the Company over his signature alone to any document of the Company required to be authenticated by him under Seal or to be filed with the Registrar of Companies in the Cayman Islands or elsewhere wheresoever.
- (d) A document to be executed as a Deed shall be executed by a Director or other person authorised by the Directors for that purpose.

OFFICERS

104. The Company may have a President, a Secretary or Secretary-Treasurer appointed by the Directors who may also from time to time appoint such other officers as they consider necessary, all for such terms, at such remuneration and to perform such duties, and subject to such provisions as to disqualification and removal as the Directors from time to time prescribe.

DIVIDENDS, DISTRIBUTIONS AND RESERVE

105. Subject to the Statute and Article 106, the Directors may from time to time declare dividends (including interim dividends) and distributions on shares of the Company outstanding and authorise payment of the same out of the funds of the Company lawfully available therefore.
106. Unless and until the Finance Documents Liabilities have been fully and finally repaid and discharged, the Company shall not declare or pay any dividends or distributions, and shall apply any and all distributions received from the Target and any of its other subsidiaries towards satisfaction of the repayment of the Finance Documents Liabilities.
107. For so long as any Finance Document remains in effect, the Company shall comply with its obligations under such Finance Document, including applying its distributable profits towards satisfaction of the Finance Documents Liabilities in accordance with Article 106. For the avoidance of doubt, this Article shall not require any Member to inject further capital into the Company.

108. The Directors may, before declaring any dividends or distributions, set aside such sums as they think proper as a reserve or reserves which shall at the discretion of the Directors, be applicable for any purpose of the Company and pending such application may, at the like discretion, be employed in the business of the Company.
109. No dividend or distribution shall be payable except out of the profits of the Company, realised or unrealised, or out of the share premium account or as otherwise permitted by the Statute.
110. Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends or distributions, if dividends or distributions are to be declared on a class of Shares they shall be declared and paid according to the amounts paid or credited as paid on the Shares of such class outstanding on the record date for such dividend or distribution as determined in accordance with these Articles but no amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Share.
111. The Directors may deduct from any dividend or distribution payable to any Member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.
112. The Directors may declare that any dividend or distribution be paid wholly or partly by the distribution of specific assets and in particular of paid up Shares, debentures, or debenture stock of any other company or in any one or more of such ways and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all Members and may vest any such specific assets in trustees as may seem expedient to the Directors.
113. Any dividend, distribution, interest or other monies payable in cash in respect of Shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the holder who is first named on the register of Members or to such person and to such address as such holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses, or other monies payable in respect of the Share held by them as joint holders.
114. No dividend or distribution shall bear interest against the Company.

CAPITALISATION

115. The Company may upon the recommendation of the Directors by ordinary resolution authorise the Directors to capitalise any sum standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve fund) or any sum standing to the credit of profit and loss account or otherwise available for distribution and to appropriate such sum to Members in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend and to apply such sum on their behalf in paying up in full unissued Shares for allotment and distribution credited as fully paid up to and amongst them in the proportion aforesaid. In such event the Directors shall do all acts and things required to give effect to such capitalisation, with full power to the Directors to make such provisions as they think fit for the case of Shares becoming distributable in fractions (including provisions whereby the benefit of fractional entitlements accrue to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all of the Members interested into an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

BOOKS OF ACCOUNT

116. The Directors shall cause proper books of account to be kept with respect to:
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt or expenditure takes place;
 - (b) all sales and purchases of goods by the Company;
 - (c) the assets and liabilities of the Company.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

117. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Statute or authorised by the Directors or by the Company in general meeting.
118. The Directors may from time to time cause to be prepared and to be laid before the Company in general meeting profit and loss accounts, balance sheets, group accounts (if any) and such other reports and accounts as may be required by Law.

AUDIT AND FINANCIAL INFORMATION

119. The Company may at any annual general meeting appoint an Auditor or Auditors of the Company who shall hold office until the next annual general meeting and may fix his or their remuneration.
120. The Directors may before the first annual general meeting appoint an Auditor or Auditors of the Company who shall hold office until the first annual general meeting unless previously removed by an ordinary resolution of the Members in general meeting in which case the Members at that meeting may appoint Auditors. 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 any Auditor appointed by the Directors under this Article may be fixed by the Directors.
121. Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the auditors.
122. Auditors shall at the next annual general meeting following their appointment and at any other time during their term of office, upon request of the Directors or any general meeting of the Members, make a report on the accounts of the Company in general meeting during their tenure of office.
123. The Company shall deliver to each Member (a) unaudited consolidated financial statements of the Company for the first six months of each financial year within three (3) months after the end of such period, and (b) audited annual consolidated financial statements of the Company for each financial year within four (4) months after the end of such financial year.

INFORMATION ON CERTAIN TRANSACTIONS

124. The Company shall deliver to each Member (a) a summary of the principal terms of any material transaction of the Company or any Target Group Company outside of the ordinary and usual course of its business with any shareholder (or its Affiliates) of City Lead, within one (1) month after the date of such transaction being entered into, and (b) a summary of the principal terms and a fairness opinion from an independent financial adviser in respect of any transaction involving acquisition or disposal of assets or businesses between (i) the Company or any Target Group Company and (ii) any shareholder (or its Affiliates) of City Lead, where the value of the total assets which is the subject of such transaction divided by the value of the total assets of the Company as shown in its latest audited or unaudited consolidated financial statements exceeds 5%, within one (1) month after the date of such transaction being entered into.

NOTICES

125. Notices shall be in writing and may be given by the Company to any Member either personally or by sending it by post, cable, telex or telecopy, electronic message to him or to his address (including e-mail address) as shown in the register of Members or any notice given by such Member to the Company, such notice, if mailed, to be forwarded airmail if the address be outside the Cayman Islands.
126. (a) Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice, and to have been effected at the expiration of 60 hours after the letter containing the same is posted as aforesaid.
- (b) Where a notice is sent by cable, telex, telecopy or electronic message, service of the notice shall be deemed to be effected by properly addressing, and sending such notice through a transmitting organisation and to have been effected on the day the same is sent as aforesaid.
127. A notice may be given by the Company to the joint holders of record of a Share by giving the notice to the joint holder first named on the register of Members in respect of the Share.
128. A notice may be given by the Company to the person or persons which the Company has been advised are entitled to a Share or Shares in consequence of the death or bankruptcy of a Member by sending it through the post as aforesaid in a pre-paid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description at the address supplied for that purpose by the persons claiming to be so entitled, or at the option of the Company by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
129. Notice of every general meeting shall be given in any manner hereinbefore authorised to:
- (a) every person shown as a Member in the register of Members as of the record date for such meeting except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the register of Members.
- (b) every person upon whom the ownership of a Share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a Member of record where the Member of record but for his death or bankruptcy would be entitled to receive notice of the meeting; and

No other person (other than the Directors) shall be entitled to receive notices of general meetings.

WINDING UP

130. If the Company shall be wound up the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Statute, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any Shares or other securities whereon there is any liability.
131. If the Company shall be wound up, and the assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the Shares held by them respectively. And if in a winding up the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital paid up at the commencement of the winding up on the Shares held by them respectively. This Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

INDEMNITY

132. The Directors and officers for the time being of the Company and any trustee for the time being acting in relation to any of the affairs of the Company and their heirs, executors, administrators and personal representatives respectively shall be indemnified out of the assets of the Company from and against all actions, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done or omitted in or about the execution of their duty in their respective offices or trusts, except such (if any) as they shall incur or sustain by or through their own wilful neglect or default respectively and no such Director, officer or trustee shall be answerable for the acts, receipts, neglects or defaults of any other Director, officer or trustee or for joining in any receipt for the sake of conformity or for the solvency or honesty of any banker or other persons with whom any monies or effects belonging to the Company may be lodged or deposited for safe custody or for any insufficiency of any security upon which any monies of the Company may be invested or for any other loss or damage due to any such cause as aforesaid or which may happen in or about the execution of his office or trust unless the same shall happen through the wilful neglect or default of such Director, Officer or trustee.

FINANCIAL YEAR

133. Unless the Directors otherwise prescribe, the financial year of the Company shall end on 31st December in each year and, following the year of incorporation, shall begin on 1st January in each year.

AMENDMENTS OF ARTICLES

134. Subject to the Statute, the Company may at any time and from time to time by Special Resolution alter or amend these Articles in whole or in part, provided that any amendment to these Articles which has the effect of undermining the rights of the Holdco as set forth in Article 8, Article 19, Article 20, Article 70, Article 123 or Article 124 shall require the affirmative vote or written consent of holders of 95% or more of the Shares in issue at the relevant time.

TRANSFER BY WAY OF CONTINUATION

135. If the Company is exempted as defined in the Statute, it shall, subject to the provisions of the Statute and with the approval of a Special Resolution, have the power to register by way of continuation as a body corporate under the Laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

For and on behalf of
Vistra (Cayman) Limited
Corporation
Of P.O. Box.31119
Grand Pavilion,
Hibiscus Way,
802 West Bay Road,
Grand Cayman,
KY1-1205
Cayman Islands

(Sd.) Authorised Signatory
Teria McLaughlin

Dated [●●] ^[th] day of [●●] 2021

WITNESS to the above signature:–

(Sd). Valdreen Lindo
of P.O. Box 31119
Grand Pavilion,
Hibiscus Way,
802 West Bay Road,
Grand Cayman,
KY1-1205
Cayman Islands

APPENDIX II – FORWARD ELITE HOLDCO DEED OF UNDERTAKING

(Effective subject to the Offer being unconditional in all respects and there being any Offer Shareholder accepting the Offer and validly electing the Share Alternative)

Dated _____

FORWARD ELITE HOLDINGS LIMITED (傑發控股有限公司)

and

CITY LEAD II DEVELOPMENTS LIMITED (城領II發展有限公司)

DEED OF UNDERTAKING

DEED OF UNDERTAKING

This Deed of Undertaking (this “**Deed**”) is entered into as of [•••] by and among:

- (1) FORWARD ELITE HOLDINGS LIMITED (傑發控股有限公司) (registered number 2003358), a business company incorporated under the laws of the British Virgin Islands with its registered address at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (“**Forward Elite**”); and
- (2) CITY LEAD II DEVELOPMENTS LIMITED (城領II發展有限公司) (registered number 376512), a company incorporated under the laws of Cayman Islands with limited liability with its registered address at Vistra (Cayman) Limited, P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands (the “**Holdco**”),

(each a “**Party**” and collectively the “**Parties**”).

RECITALS

- (A) Ever Harmonic Global Limited (永和環球有限公司) is an exempted company with limited liability incorporated under the laws of the Cayman Islands with its registered address at Vistra (Cayman) Limited, P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands (“**Ever Harmonic**”). As at the date hereof, Ever Harmonic is held as to 100% by City Lead Developments Limited (城領發展有限公司), a business company incorporated under the laws of the British Virgin Islands with its registered address at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (“**City Lead**”), and 0% by the Holdco. Forward Elite is a shareholder of City Lead as to 40%.
- (B) Pursuant to the Articles (as defined below), Ever Harmonic is obliged to apply any and all distributions received from Clear Media Limited, an exempted company incorporated under the laws of Bermuda with its registered address at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda (“**Clear Media**”), or any of its other subsidiaries towards satisfaction of the Finance Documents Liabilities (as defined below) unless and until the Finance Documents Liabilities have been fully and finally repaid and discharged (any such payment by Ever Harmonic, a “**Bidco Repayment**”).
- (C) As the Holdco would have been indirectly entitled to a pro rata share of such distributions but for such Bidco Repayments (which are for the sole benefit of Forward Elite), Forward Elite agrees to compensate the Holdco for its loss of indirect pro rata share of any such distributions on the terms and conditions set out in this Deed.

WITNESSETH

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound hereto hereby agree as follows:

1. Definitions.

1.1 In this Deed, capitalized terms shall have the following meanings ascribed to them:

“**Affiliate**” means, with respect to a Person, (a) in the case where such given Person is not a natural person, any other Person that, directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such Person, and (b) in the case where such given Person is a natural person, (i) an Immediate Family Member of such given Person, or (ii) any other Person that is Controlled by such given Person and his Immediate Family Member(s), whether individually or collectively; provided that none of Ever Harmonic, City Lead or any Target Group Company shall be considered an “**Affiliate**” of Forward Elite;

“**Articles**” means the articles of association of Ever Harmonic, as may be amended and/or restated from time to time;

“**Bidco Repayment Inter-Shareholder Loans**” means the inter-shareholder loans between Forward Elite and the other shareholders of City Lead from time to time arising from Bidco Repayments;

“**Business Day**” means a day on which Stock Exchange is open for the transaction of business, but other than any such day on which commercial banks in the PRC are required or authorised by Law to be closed;

“**Consolidated Affiliate**” means, in respect of a Person, a body corporate which is or is required to be consolidated with such Person pursuant to accounting principles applicable to such Person;

“**Control**” of a given Person means the power or authority, whether exercised or not, to direct the business, management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, which power or authority shall conclusively be presumed to exist upon possession of beneficial ownership or power to direct the vote of more than fifty percent (50%) of the votes entitled to be cast at a meeting of the members or shareholders of such Person or power to control the composition of a majority of the board of directors of such Person; the term “**Controlled**”, “**Controller**” or “**Controlling**” has the meaning correlative to the foregoing;

“Equity Securities” means, with respect to a Person, any shares, share capital, registered capital, ownership interest, equity interest, or other securities, and any option, warrant, or right to subscribe for, acquire or purchase any of the foregoing, or any other security or instrument convertible into or exercisable or exchangeable for any of the foregoing, or any equity appreciation, phantom equity, equity plans or similar rights with respect to such Person;

“Facility Agent” means China CITIC Bank International Limited in its capacity as facility agent under the Facility Agreement, including its successors in title, assigns and transferees;

“Facility Agreement” means the facility agreement dated 27 March 2020 and entered into between, amongst others, the Facility Agent as the facility agent and the Bidco as the borrower in respect of the Bank Facility (as amended from time to time, including pursuant to the first deed of amendment dated 22 April 2020 and the second deed of amendment dated 2 July 2021);

“Finance Documents” has the meaning given to such term in the Facility Agreement;

“Finance Documents Liabilities” means repayment of the full amount of the borrowings and payment of interest payable under the Finance Documents and any other costs, fees, expenses, damages, losses, liabilities or other obligations of Ever Harmonic, City Lead, Clear Media or any of its subsidiaries incurred or suffered under or in connection with the Finance Documents;

“Governmental Authority” means any nation or government or any federation, province or state or any other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of any other country, or any political subdivision thereof, any court, tribunal or arbitrator, and any self-regulatory organization;

“Governmental Order” means any applicable order, ruling, decision, verdict, decree, writ, subpoena, mandate, precept, command, directive, consent, approval, award, judgment, injunction or other similar determination or finding by, before or under the supervision of any Governmental Authority;

“HIBOR” means the Hong Kong Interbank Offered Rate for deposits in HKD for a 12-month period;

“HKD” or **“HK\$”** means Hong Kong dollars, the lawful currency of Hong Kong;

“Hong Kong” means the Hong Kong Special Administrative Region of the PRC;

“Immediate Family Members” with respect to any natural Person, (a) such Person’s spouse, parents, parents-in-law, grandparents, children, grandchildren, siblings and siblings-in-law (in each case whether adoptive or biological), (b) spouses of such Person’s children, grandchildren and siblings (in each case whether adoptive or biological) and (c) estates, trusts, partnerships and other Persons which directly or indirectly through one or more intermediaries are Controlled by the foregoing;

“Law” or **“Laws”** means any constitutional provision, statute or other law, rule, regulation, official policy or interpretation of any Governmental Authority and any Governmental Order;

“Person” means any individual, corporation, partnership, limited partnership, proprietorship, association, limited liability company, firm, trust, estate or other enterprise or entity;

“PRC” means the People’s Republic of China which, for the purposes of this Deed, shall exclude Taiwan, Hong Kong and the Macau Special Administrative Region of the People’s Republic of China;

“Pro Rata Share” shall be equal to a fraction, the numerator of which shall be the aggregate number of Shares held by the Holdco as at the relevant time, and the denominator of which shall be the total number of Shares held by all Shareholders as at such relevant time;

“Shareholders” means the holders of the Shares, and a **“Shareholder”** means any one of them;

“Shares” means the shares in the entire issued share capital of Ever Harmonic from time to time, together with all rights attaching thereto;

“Stock Exchange” means The Stock Exchange of Hong Kong Limited;

“Target Group” means Clear Media and its subsidiaries from time to time, and **“Target Group Company”** means any one of them; and

“Transfer” means directly or indirectly sell, assign, transfer, pledge, hypothecate, or otherwise encumber or dispose of in any way.

1.2 In this Deed, unless the context otherwise requires:

- (a) each gender includes the other gender;
- (b) the singular includes the plural and vice versa;
- (c) references to this Deed includes its Schedules;

- (d) references to Sections and Schedules are to sections of and schedules to this Deed and references in a Schedule or part of a Schedule are to a paragraph of that Schedule or that part of that Schedule;
- (e) the words “include”, “includes” and “including” or similar words are deemed to be followed by the words “without limitation”;
- (f) the descriptive headings to provisions and paragraphs in this Deed are included for convenience only, have no legal effect and shall be ignored in the interpretation of this Deed;
- (g) references to legislation are to that legislation as from time to time modified, re-enacted or consolidated whether before or after the date of this Deed;
- (h) references to this Deed, any specified provision in this Deed, any other document or any specified provision in any other document are to this Deed, that document or the specified provision as in force for the time being and as amended, varied, novated or supplemented from time to time in accordance with the terms of the relevant document. Without prejudice to the foregoing, with respect to any Finance Document, “amended” and “amendment” shall have the meaning given to them in the Facility Agreement;
- (i) references to “writing” or “written” include faxes and any other method of reproducing words in a legible and non-transitory form; and
- (j) references to time shall mean Hong Kong time, unless otherwise stated.

2. Undertakings from Forward Elite.

2.1 Payables.

- (a) Forward Elite undertakes to the Holdco that, simultaneously with each Bidco Repayment made from time to time, a payable from Forward Elite to the Holdco in an amount equal to the Holdco’s Pro Rata Share of such Bidco Repayment shall be deemed to have arisen (each a “**Payable**”), which shall be repaid in accordance with Section 2.3.
- (b) Forward Elite shall, on the date of each Bidco Repayment, deliver to the Holdco a notice in the form set out in Schedule 1.
- (c) If any cash available to Ever Harmonic (other than distributions received from Clear Media or any of its other subsidiaries or funds contributed by Forward Elite and/or any of its Affiliates directly (or indirectly through payment to Ever Harmonic and/or City Lead) to the Facility Agent in satisfaction of any Finance Documents Liabilities) is applied by Ever Harmonic towards satisfaction of the Finance Documents Liabilities, any such payment shall also constitute a Bidco Repayment under this Deed.

2.2 Interest.

Interest shall accrue on each Payable daily from the date on which each such Payable arises pursuant to Section 2.1(a) up to (and including) the date of repayment of such Payable (together with all accrued and unpaid interest), at the rate per annum equivalent to six percent (6%) per annum above HIBOR, calculated based on the actual number of days elapsed and a 360-day year consisting of 12 months of 30 days each.

2.3 Repayment.

Forward Elite shall repay the entire outstanding principal balance of all Payables, together with all accrued and unpaid interest within 18 months following the date on which all Finance Documents Liabilities are fully and finally settled.

2.4 Voluntary Prepayment.

- (a) Forward Elite may prepay any Payable in full or in part at any time by providing the Holdco with a written notice at least two (2) Business Days in advance of such prepayment, without any prepayment penalty or premium.
- (b) Any amount prepaid in accordance with Section 2.4(a) shall first be applied in reducing the amount of outstanding interest (if any) accrued on such Payable in full before the balance thereof is applied to repay the principal amount of the Payable.

2.5 Pari Passu Ranking. The Payables shall rank pari passu in priority of payment with the Bidco Repayment Inter-Shareholder Loans. Forward Elite undertakes to pay a pro rata portion of the outstanding Payables to the Holdco simultaneously with the repayment of any amount in satisfaction of Forward Elite's obligations under the Bidco Repayment Inter-Shareholder Loans. For the purpose of this Section 2.5, "pro rata portion" means a fraction, the numerator of which is the total amount of the Bidco Repayment Inter-Shareholder Loans being repaid, and the denominator of which is the total amount of the Bidco Repayment Inter-Shareholder Loans outstanding at the time of such repayment.

3. Deed of Accession.

In the event that Forward Elite or any of its Affiliates or Consolidated Affiliates Transfers any of its Equity Securities of City Lead to any of its Affiliates or Consolidated Affiliates, Forward Elite or any of its Affiliates or Consolidated Affiliates shall, simultaneously with the completion of such Transfer, deliver to the Holdco a deed of accession duly executed by such transferee in the form set out in Schedule 2, where such transferee shall agree to be bound by the terms and conditions of this Deed in the capacity of the debtor and shall be jointly and severally liable with Forward Elite for the performance of the obligations of the debtor under this Deed.

4. Notices.

4.1 Notice Details. Any notice required or permitted pursuant to this Deed shall be given in writing and shall be given either personally or by sending it by courier service (using an internationally recognized courier company), first class pre-paid recorded delivery post (air mail if overseas), electronic mail or fax to the addresses or numbers set out as follows (or at such other address or number as such Party may designate by prior written notice to the other Parties given in accordance with this Section 4):

If to Forward Elite:

FORWARD ELITE HOLDINGS LIMITED (傑發控股有限公司)

Address: White Horse Company, 3/F, Starry Winking, 4 Hua Ming Road, Tianhe District, Guangzhou 510623, PRC (廣州市天河區華明路四號星匯雲錦三層白馬公司)

Fax: +86 20 3230 0890

Email: zhang_huaijun@hotmail.com

Attention: Mr. Harrison Zhang

If to the Holdco:

CITY LEAD II DEVELOPMENTS LIMITED (城領II發展有限公司)

Address: [Vistra (Cayman) Limited, P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands]

Fax: [•••]

Email: [•••]

Attention: [•••]

4.2 Deemed Delivery. In the absence of evidence of earlier receipt, any notice served in accordance with Section 4.1 shall be deemed to be given (a) if delivered personally or by courier, at the time of delivery, (b) if sent by pre-paid first class recorded delivery post (other than air mail), two (2) Business Days after posting it, (c) if sent by air mail, five (5) Business Days after posting it, (d) if sent by electronic mail, at the time it leaves the email gateway of the sender (subject to confirmation that the sender did not receive a message that the email was undeliverable, which may be satisfied by producing a certificate signed by an authorised and qualified representative of the sender), (e), if sent by fax, at the time of its dispatch (subject to confirmation of uninterrupted transmission by the sender by a transmission report).

5. Miscellaneous.

- 5.1 Observance of Finance Documents.** For so long as any Finance Document remains in effect, Forward Elite shall use reasonable efforts to procure each of City Lead and Ever Harmonic to comply with all of their respective obligations under such Finance Document, including by way of taking such actions as are necessary to allow Ever Harmonic to apply its distributable profits towards satisfaction of the Finance Documents Liabilities, which the Holdco agrees and consents to. For the avoidance of doubt, the provision of this Section 5.1 shall not require the Holdco to inject any capital into Ever Harmonic.
- 5.2 Indemnity.** Forward Elite shall indemnify the Holdco from and against all liabilities, costs, expenses, damages and losses and all other reasonable professional costs and expenses suffered or incurred by the Holdco as a result of any breach by any Obligor (as defined in the Facility Agreement) of any of its obligations under the Finance Documents.
- 5.3 Further Assurances.** Upon the terms and subject to the conditions herein, each of the Parties agrees to use its best efforts to take or cause to be taken all actions, to do or cause to be done, to execute such further instruments, and to assist and cooperate with the other Party in doing, all things necessary, proper or advisable under applicable Laws or otherwise to consummate and make effective, in the most expeditious manner practicable, the matters contemplated by this Deed and any other documents arising in connection with the Payables and, to the extent reasonably requested by another Party, to enforce rights and obligations pursuant hereto or thereto.
- 5.4 Variation.** No variation of this Deed shall be effective unless made in writing and signed by or on behalf of each of the Parties.
- 5.5 Assignment.** No Party may assign or transfer all or any of its rights, benefits and obligations under this Deed without the prior written consent of the other Party.
- 5.6 Severability.** In case any provision of this Deed shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
- 5.7 Costs.** Save as otherwise provided in this Deed, each Party shall pay the costs and expenses incurred by it in connection with the entering into and performance of its obligations under this Deed.
- 5.8 Counterparts.** This Deed may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile and e-mailed copies of signatures shall be deemed to be originals for purposes of the effectiveness of this Deed.

5.9 No Third Party Rights. A Person who is not a party to this Deed shall have no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) to enforce any of its terms.

5.10 Governing Law. This Deed shall be governed by and construed under the Laws of Hong Kong, without regard to principles of conflict of laws thereunder.

5.11 Dispute Resolution.

- (a) Any dispute, controversy, difference or claim arising out of or relating to this contract, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (HKIAC) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.
- (b) The law of this arbitration clause shall be Hong Kong law.
- (c) The seat of arbitration shall be Hong Kong.
- (d) The number of arbitrators shall be three (3). The arbitration proceedings shall be conducted in English.

[The remainder of this page has been left intentionally blank.]

IN WITNESS WHEREOF, the Parties hereto have executed this Deed as of the date first written above.

Forward Elite

EXECUTED and DELIVERED
as a **DEED** by
FORWARD ELITE HOLDINGS LIMITED
(傑發控股有限公司)
in the presence of:

)
)
)
)
) _____
Name:
Title:

Witness name:

Witness address:

IN WITNESS WHEREOF, the Parties hereto have executed this Deed as of the date first written above.

Holdco

EXECUTED and DELIVERED
as a **DEED** by
CITY LEAD II DEVELOPMENTS LIMITED
(城領II發展有限公司)
in the presence of:

)
)
)
)
) _____
Name:
Title:

Witness name:

Witness address:

Schedule 1
Notice

From: **FORWARD ELITE HOLDINGS LIMITED** (傑發控股有限公司) (“**Forward Elite**”)
To: **CITY LEAD II DEVELOPMENTS LIMITED** (城領II發展有限公司) (“**Holdco**”)
Date: [•••]

Dear Sirs,

Deed of Undertaking dated [•••] (the “Deed”)

We refer to the Deed. Capitalized terms used but not otherwise defined in this notice shall have the same meanings set out in the Deed.

On the date hereof, Ever Harmonic has made a Bidco Repayment in the amount of HK\$[•••]. Pursuant to Section 2.1 of the Deed, we hereby confirm that, simultaneously with such Bidco Repayment, a payable from Forward Elite to the Holdco in the principal amount equal to the Holdco’s Pro Rata Share of such Bidco Repayment, being HK\$[•••], is deemed to have arisen.

Immediately following such Bidco Repayment, the outstanding aggregate principal amount of the Payables is HK\$[•••].

Yours faithfully

Name:

For and on behalf of

FORWARD ELITE HOLDINGS LIMITED (傑發控股有限公司)

Schedule 2
Form of Deed of Accession

From: [•••]
To: **CITY LEAD II DEVELOPMENTS LIMITED** (城領II發展有限公司) (“Holdco”)
Date: [•••]

Dear Sirs,

Deed of Undertaking dated [•••] (the “Deed”)

We refer to the Deed. This is the Deed of Accession. Capitalized terms used but not otherwise defined in this Deed of Accession shall have the same meanings set out in the Deed.

[I/We], [*insert name of new shareholder of City Lead*] hereby agree that, for so long as [I/we] remain a holder of any Equity Securities of City Lead, [I/we] shall be bound by the terms of the Deed as a debtor, and be jointly and severally liable with [Forward Elite Holdings Limited] for the performance of the obligations of the debtor under the Deed.

This Deed of Accession shall be governed by and construed in all respects in accordance with the Laws of Hong Kong, without regard to principles of conflict of laws thereunder.

Executed and Delivered as a Deed by)
[**NEW SHAREHOLDER OF CITY LEAD**])
in the presence of:) _____
Name:
Title:

Witness name:

Witness address: