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**AURELI INVESTMENTS LTD**  
*(incorporated in the Cayman Islands with limited liability)*

  
**GOLDEN THROAT HOLDINGS GROUP COMPANY LIMITED**  
**金嚜子控股集團有限公司**  
*(Incorporated under the laws of the Cayman Islands with limited liability of its members)*  
**(Stock Code: 6896)**

**JOINT ANNOUNCEMENT**  
**(1) PROPOSAL FOR THE TAKE PRIVATE OF**  
**GOLDEN THROAT HOLDINGS GROUP COMPANY LIMITED**  
**BY THE OFFEROR**  
**BY WAY OF**  
**A SCHEME OF ARRANGEMENT**  
**UNDER SECTION 86 OF THE COMPANIES ACT**  
**(2) PROPOSED WITHDRAWAL OF LISTING OF**  
**GOLDEN THROAT HOLDINGS GROUP COMPANY LIMITED**  
**(3) SPECIAL DEAL RELATING TO ROLLOVER ARRANGEMENT**  
**(4) ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE**  
**(5) RESUMPTION OF TRADING IN THE SHARES**

**Financial Adviser to the Offeror**



**Standard Chartered Bank (Hong Kong) Limited**

**INTRODUCTION**

The respective directors of the Offeror and the Company jointly announce that on 12 August 2021, the Offeror and the Company have entered into the Implementation Agreement, pursuant to which the parties have agreed to use all reasonable endeavours to implement the Proposal for the take private of the Company by way of a scheme of arrangement, which if approved and implemented will result in the Company being taken private by the Offeror and the withdrawal of the listing of the Shares, under section 86 of the Companies Act.

The Offeror has appointed SCB to act as its financial advisor in connection with the Proposal.

## **TERMS OF THE PROPOSAL**

If the Proposal is approved and implemented:

- (a) the Founder Scheme Shares held by the Founder Shareholders will be cancelled in consideration for the Founder Cancellation Consideration, being the crediting of the unpaid HoldCo Shares held by Founder HoldCo as being fully paid in the amount equivalent to the aggregate amount of the Cancellation Price per Scheme Share with respect to all the Founder Scheme Shares;
- (b) the Rollover Scheme Shares held by the Rollover Shareholders will be cancelled in consideration for the Rollover Cancellation Consideration, being the allotment and issue of the Offeror Rollover Shares to the Rollover Shareholders credited as fully paid in the amount equivalent to the aggregate amount of the Cancellation Price per Scheme Share with respect to all the Rollover Scheme Shares;
- (c) all other Scheme Shares will be cancelled in consideration for the Cancellation Price of HK\$2.80 per Scheme Share, which will be paid in cash;
- (d) such number of new Shares as is equal to the number of Scheme Shares cancelled will be issued to the Offeror, credited as fully paid, such that the Company will become wholly owned by the Offeror; and
- (e) the listing of the Shares on the Stock Exchange will be withdrawn with effect as soon as practicable following the Effective Date.

### **Cancellation Price per Scheme Share**

The Cancellation Price of HK\$2.80 per Scheme Share (other than the Founder Scheme Shares and the Rollover Scheme Shares) represents:

- (a) a premium of approximately 55.6% over the closing price of HK\$1.80 per Share as quoted on the Stock Exchange on the Undisturbed Date;
- (b) a premium of approximately 58.0% over the average closing price of approximately HK\$1.77 per Share as quoted on the Stock Exchange for the five trading days up to and including the Undisturbed Date;
- (c) a premium of approximately 54.0% over the average closing price of approximately HK\$1.82 per Share as quoted on the Stock Exchange for the 30 trading days up to and including the Undisturbed Date;

- (d) a premium of approximately 55.3% over the average closing price of approximately HK\$1.80 per Share as quoted on the Stock Exchange for the 60 trading days up to and including the Undisturbed Date;
- (e) a premium of approximately 58.4% over the average closing price of approximately HK\$1.77 per Share as quoted on the Stock Exchange for the 90 trading days up to and including the Undisturbed Date;
- (f) a premium of approximately 62.3% over the average closing price of approximately HK\$1.73 per Share as quoted on the Stock Exchange for the 120 trading days up to and including the Undisturbed Date;
- (g) a premium of approximately 72.6% over the average closing price of approximately HK\$1.62 per Share as quoted on the Stock Exchange for the 180 trading days up to and including the Undisturbed Date;
- (h) a premium of approximately 25.6% over the closing price of HK\$2.23 per Share as quoted on the Stock Exchange on the Last Trading Date;
- (i) a premium of approximately 49.1% over the average closing price of approximately HK\$1.88 per Share as quoted on the Stock Exchange for the five trading days up to and including the Last Trading Date;
- (j) a premium of approximately 52.5% over the average closing price of approximately HK\$1.84 per Share as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Date;
- (k) a premium of approximately 54.6% over the average closing price of approximately HK\$1.81 per Share as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Date;
- (l) a premium of approximately 57.9% over the average closing price of approximately HK\$1.77 per Share as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Date;
- (m) a premium of approximately 61.7% over the average closing price of approximately HK\$1.73 per Share as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Date;
- (n) a premium of approximately 72.1% over the average closing price of approximately HK\$1.63 per Share as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Date; and

- (o) a premium of approximately 41.1% to the audited consolidated net asset value attributable to Shareholders per Share of approximately HK\$1.98 as at 31 December 2020 (based on a HK\$ to RMB exchange rate of HK\$1 to RMB0.83183, being the exchange rate as quoted by the People's Bank of China on the Last Trading Date).

The Cancellation Price has been determined on a commercial basis after taking into account, among other things, the recent and historic traded prices of the Shares, publicly available financial information of the Company, the trading multiples of comparable trading companies and with reference to other privatisation or take private transactions in Hong Kong in recent years.

**The Offeror will not increase the Cancellation Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.**

### **CONFIRMATION OF FINANCIAL RESOURCES**

Taking into account that the Founder Scheme Shares and the Rollover Scheme Shares will be cancelled in consideration for the Founder Cancellation Consideration and the Rollover Cancellation Consideration respectively, the Proposal will involve making an offer to cancel 189,269,300 Scheme Shares, in exchange for the Cancellation Price of HK\$2.80 per Scheme Share in cash.

The total amount of cash required to implement the Proposal in full would be approximately HK\$529,954,040. The Offeror proposes to finance the cash consideration payable under the Proposal with equity commitments from the Affirma Funds.

SCB, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for satisfying in full its payment obligations in respect of the cash consideration payable under the Proposal.

### **CONDITIONS OF THE PROPOSAL**

The Proposal and the Scheme will only become effective and binding on the Company and all of the Shareholders if the following Conditions are fulfilled or waived (as applicable):

- (a) the approval of the Scheme (by way of poll) by a majority in number of the Disinterested Shareholders representing not less than 75% in value of the Scheme Shares held by the Disinterested Shareholders on the Meeting Record Date, present and voting either in person or by proxy at the Court Meeting (and the Founder Shareholders and the Rollover Shareholders having provided undertakings to the Grand Court as set out herein to be bound by the Scheme and to receive the Founder Cancellation Consideration or the Rollover

Cancellation Consideration (as the case may be) in consideration for cancellation of the Founder Scheme Shares or the Rollover Scheme Shares (as the case may be) under the Scheme), provided that:

- (i) the Scheme is approved (by way of poll) by the Disinterested Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Shareholders that are voted either in person or by proxy at the Court Meeting; and
  - (ii) the number of votes cast (by way of poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by all the Disinterested Shareholders;
- (b) (i) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the General Meeting to approve and give effect to the reduction of the share capital of the Company by cancelling and extinguishing the Scheme Shares; and (ii) the passing of an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting at the General Meeting to immediately thereafter increase the issued share capital of the Company and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled, credited as fully paid, for issuance to the Offeror;
- (c) the Grand Court's sanction of the Scheme (with or without modifications) and its confirmation of the reduction of the share capital of the Company, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court for registration;
- (d) compliance, to the extent necessary, with the procedural requirements and conditions, if any, under Sections 14 and 17 of the Companies Act in relation to the reduction of the issued share capital of the Company;
- (e) in relation to the Rollover Arrangement: (i) the receipt of an opinion from the Independent Financial Adviser confirming that the Rollover Arrangement is fair and reasonable as far as the Disinterested Shareholders are concerned; (ii) the passing of an ordinary resolution by the Disinterested Shareholders at the General Meeting to approve the Rollover Arrangement; and (iii) the grant of consent under Rule 25 of the Takeovers Code from the Executive to the Rollover Arrangement;

- (f) all Approvals which are (i) required in connection with the Proposal by Applicable Laws or any licenses, permits or contractual obligations of the Company; and (ii) material in the context of the Group (taken as a whole), having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification up to and as at the Effective Date;
- (g) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal);
- (h) all Applicable Laws having been complied with and no legal or regulatory requirement having been imposed by any Authority which is not expressly provided for, or is in addition to the requirements expressly provided for, in the Applicable Laws in connection with the Proposal which are material in the context of the Group (taken as a whole), in each case up to and as at the Effective Date;
- (i) since the date of this announcement, there having been no material adverse change to the business, financial or trading position of the Group, each taken as a whole; and
- (j) save in connection with the implementation of the Proposal, the listing of the Company on the Stock Exchange not having been withdrawn, and no indication having been received from the Executive and/or the Stock Exchange to the effect that the listing of the Shares on the Stock Exchange is or is likely to be withdrawn.

The Conditions in paragraphs (a) to (e) (inclusive) above are not waivable. The Offeror reserves the right to waive all or any of the Conditions in paragraphs (f) to (j) (inclusive) in whole or in part. The Company does not have the right to waive any of the Conditions. All of the above Conditions must be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

As at the date of this announcement and based on the information available to the Offeror and the Company, other than pursuant to the Conditions in paragraphs (a) to (e) (inclusive), the Offeror and the Company are not aware of any Approvals which are required as set out in the Condition in paragraph (f) above, and the Offeror and the Company are also not aware of any other circumstances which may result in any of the Conditions in paragraphs (f) to (j) (inclusive) above not being satisfied. In particular, as at the date of this announcement, the Company is not aware of any Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry as set out in the Condition in paragraph (g).

## **VOTING AT THE COURT MEETING AND THE GENERAL MEETING**

Only Disinterested Shareholders as at the Meeting Record Date will be entitled to attend and vote at the Court Meeting to approve the Scheme. Each of the Founder Shareholders and the Rollover Shareholders, in *lieu* of a class meeting or meetings to approve the Scheme, has agreed to give undertakings to the Grand Court to be bound by the Scheme and to receive the Founder Cancellation Consideration or the Rollover Cancellation Consideration (as the case may be) in consideration for cancellation of the Founder Scheme Shares or the Rollover Scheme Shares (as the case may be) under the Scheme. The Offeror will also undertake to the Grand Court to be bound by the Scheme.

All Shareholders will be entitled to attend the General Meeting and vote on the restoration of the share capital of the Company (as described in the Condition in paragraph (b) above), but for the purposes of the Takeovers Code, only the Disinterested Shareholders will be entitled to vote at the General Meeting on the ordinary resolution to approve the Rollover Arrangement (as described in the Condition in paragraph (e) above) and the Founder Shareholders and the Rollover Shareholders shall not be entitled to vote on such resolution.

## **IRREVOCABLE UNDERTAKINGS**

On 12 August 2021, (i) each of the Founder Shareholders has given irrevocable undertakings under the Consortium Agreement in favour of the Offeror, Affirma HoldCo and/or HoldCo; and (ii) each of the Rollover Shareholders and the Employee Trustee has given irrevocable undertakings under the Rollover Agreement in favour of the Offeror, HoldCo, the Founder Group and/or Affirma HoldCo, in each case, to take certain actions, including (among other things):

- (a) to agree to and assist with implementing the cancellation of the Founder Scheme Shares or the Rollover Scheme Shares (as the case may be) in consideration for the Founder Cancellation Consideration and the Rollover Cancellation Consideration (as the case may be);
- (b) (in respect of the Founder Shareholders and the Rollover Shareholders only) in *lieu* of a class meeting or meetings to approve the Scheme, to provide undertakings to the Grand Court to agree to and be bound by the Scheme and to receive the Founder Cancellation Consideration or the Rollover Cancellation Consideration (as the case may be) in consideration for cancellation of the Founder Scheme Shares or the Rollover Scheme Shares (as the case may be) under the Scheme; and
- (c) (in respect of applicable to the Founder Shareholders and the Rollover Shareholders only) to the extent permitted by Applicable Laws (including the Takeovers Code), to vote any Shares held by them in favour of any resolutions proposed at the General Meeting to implement the Scheme or which are necessary for the Scheme to become effective.



## **SPECIAL DEAL RELATING TO THE ROLLOVER ARRANGEMENT**

On 12 August 2021, the Offeror, HoldCo, the Rollover Shareholders and the Employee Trustee entered into the Rollover Agreement in relation to the Rollover Arrangement.

As the Rollover Arrangement is not offered to all Shareholders, the Rollover Arrangement constitutes a special deal under Rule 25 of the Takeovers Code and requires the consent of the Executive under Rule 25 of the Takeovers Code. The Offeror will make an application for consent to the Executive, and the Proposal and the Scheme are subject to fulfilment of the Condition relating to the Rollover Arrangement in paragraph (e) in the section headed “*Conditions of the Proposal*” above.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

An Independent Board Committee, which comprises the following independent non-executive Directors: Mr. LI Hua, Mr. ZHU Jierong and Mr. CHENG Yiqun, has been established by the Board to make a recommendation to the Disinterested Shareholders as to whether (i) the Proposal, and in particular the Scheme and the Rollover Arrangement, is fair and reasonable; and (ii) to vote in favour of the Rollover Arrangement and the resolutions in connection with the implementation of the Proposal at the General Meeting and the Scheme at the Court Meeting.

Ms. Jiang, the chairman of the Board and a non-executive Director of the Company, is the mother of Mr. Zeng. In addition, Ms. Jiang is the protector of the Senior Management Trust, one of the Rollover Parties. For so long as the Employee Trustee holds or controls Shares in the Company, all voting rights attaching to such Shares shall be exercised by an investment review panel consisting of Ms. Jiang and/or such other person(s) as they may wish to appoint. Furthermore, Ms. Jiang is the sole director of Founder HoldCo. Accordingly, the Board considers Ms. Jiang to be interested in the Proposal and the Rollover Arrangement and as such should not be a member of the Independent Board Committee in accordance with Rule 2.8 of the Takeovers Code.

The Independent Financial Adviser will be appointed by the Board in due course to advise the Independent Board Committee on the Proposal, the Scheme and the Rollover Arrangement. A further announcement will be made after the appointment of the Independent Financial Adviser.

## **WITHDRAWAL OF LISTING OF THE SHARES**

Upon the Scheme becoming effective, all Scheme Shares will be cancelled (with the equivalent number of new Shares being simultaneously issued and credited as fully paid to the Offeror) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, with effect immediately following the Effective Date.



## **TRADING SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 10:49 a.m. on 5 August 2021 (Hong Kong time), pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 13 August 2021 (Hong Kong time).

## **IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

Subject to the requirements of the Takeovers Code, the Scheme will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn.

## **DESPATCH OF THE SCHEME DOCUMENT**

A Scheme Document including, among other things, further details of the Proposal, the Scheme and the Rollover Arrangement, an explanatory statement as required under the Companies Act, the expected timetable relating to the Proposal, the recommendations of the Independent Board Committee, the letter of advice from the Independent Financial Adviser and notices of the Court Meeting and the General Meeting will be despatched to the Scheme Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code and Applicable Laws.

## **WARNINGS**

**Shareholders and potential investors should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. Shareholders and potential investors 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 stockbroker, bank manager, solicitor or other professional advisers.**

**This announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of Applicable Laws. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details of how to vote on the Proposal. Any approval or other response to the Proposal should be made only on the basis of information in the Scheme Document and the individual circumstances of the Shareholder making the decision.**

**The availability of the Proposal to persons who are not resident in Hong Kong may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not so resident in Hong Kong should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas shareholders will be contained in the Scheme Document.**

**Shareholders and potential investors of the Company should also note that the Positive Profit Alert Announcement does not meet the standard required by Rule 10 of the Takeovers Code and has not been reported on in accordance with the Takeovers Code. Shareholders and potential investors of the Company should therefore exercise caution in placing reliance on the Positive Profit Alert Announcement in assessing the merits and demerits of the Proposal and/or when dealing in the securities of the Company.**

### **Notice to US investors**

*The Proposal is being made to cancel the securities of a Cayman Islands exempted company by means of a scheme of arrangement provided for under the laws of Cayman Islands and is subject to Hong Kong disclosure requirements which are different from those of the United States.*

*A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the US Securities Exchange Act of 1934, as amended. Accordingly, the Proposal is subject to the disclosure requirements and practices applicable in the Cayman Islands and Hong Kong to schemes of arrangement which differ from the disclosure and procedural requirements applicable under the US federal securities laws.*

*The receipt of cash pursuant to the Proposal by a US holder of Scheme Shares as consideration for the cancellation of his/her Scheme Shares pursuant to the Scheme 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 holder of Scheme Shares is urged to consult his/her independent professional adviser immediately regarding the tax consequences of the Proposal applicable to him/her.*

*It may be difficult for US holders of Scheme Shares 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 United States, and some or all of their officers and directors may be residents of a country other than the United States. US holders of Scheme Shares 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.*

## **INTRODUCTION**

On 12 August 2021, the Offeror and the Company have entered into the Implementation Agreement, pursuant to which the parties have agreed to use all reasonable endeavours to implement the Proposal for the take private of the Company by way of a scheme of arrangement, which if approved and implemented will result in the Company being taken private by the Offeror and the withdrawal of the listing of the Shares, under section 86 of the Companies Act.

The Offeror has appointed SCB to act as its financial advisor in connection with the Proposal.

As at the date of this announcement, save for 739,302,000 Shares in issue, the Company does not have any other outstanding shares, options, warrants, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue.

As at the date of this announcement, the Founder Group collectively directly or indirectly hold 457,076,300 Shares in aggregate, representing approximately 61.83% of the outstanding issued share capital of the Company, being the Founder Scheme Shares. For the avoidance of doubt, these Shares form part of the Scheme Shares.

As at the date of this announcement, the Rollover Shareholders collectively directly hold 92,956,400 Shares in aggregate, representing approximately 12.57% of the outstanding issued share capital of the Company, being the Rollover Scheme Shares. For the avoidance of doubt, these Shares form part of the Scheme Shares.

The remaining 189,269,300 Shares, representing approximately 25.60% of the outstanding issued share capital of the Company, are held by other Shareholders.

Please refer to the section headed “*Shareholding structure of the Company*” for the simplified shareholding structures of the Company as at the date of this announcement and immediately upon the Scheme becoming effective.

## **TERMS OF THE PROPOSAL**

If the Proposal is approved and implemented:

- (a) the Founder Scheme Shares held by the Founder Shareholders will be cancelled in consideration for the Founder Cancellation Consideration, being the crediting of the unpaid HoldCo Shares held by Founder HoldCo as being fully paid in the amount equivalent to the aggregate amount of the Cancellation Price per Scheme Share with respect to all the Founder Scheme Shares;

- (b) the Rollover Scheme Shares held by the Rollover Shareholders will be cancelled in consideration for the Rollover Cancellation Consideration, being the allotment and issue of the Offeror Rollover Shares to the Rollover Shareholders credited as fully paid in the amount equivalent to the aggregate amount of the Cancellation Price per Scheme Share with respect to all the Rollover Scheme Shares;
- (c) all other Scheme Shares will be cancelled in consideration for the Cancellation Price of HK\$2.80 per Scheme Share, which will be paid in cash;
- (d) such number of new Shares as is equal to the number of Scheme Shares cancelled will be issued to the Offeror, credited as fully paid, such that the Company will become wholly owned by the Offeror; and
- (e) the listing of the Shares on the Stock Exchange will be withdrawn with effect as soon as practicable following the Effective Date.

In compliance with Rule 20.1(a) of the Takeovers Code, upon the Scheme becoming effective, the Cancellation Price of HK\$2.80 per Scheme Share for cancellation of the Scheme Shares (other than the Founder Scheme Shares and the Rollover Scheme Shares) will be paid to the relevant Scheme Shareholders whose names appear in the register of members of the Company on the Scheme Record Date as soon as possible, but in any event within seven business days (as defined in the Takeovers Code) following the Effective Date.

### **Cancellation Price per Scheme Share**

The Cancellation Price of HK\$2.80 per every Scheme Share (other than the Founder Scheme Shares and the Rollover Scheme Shares) represents:

- (a) a premium of approximately 55.6% over the closing price of HK\$1.80 per Share as quoted on the Stock Exchange on the Undisturbed Date;
- (b) a premium of approximately 58.0% over the average closing price of approximately HK\$1.77 per Share as quoted on the Stock Exchange for the five trading days up to and including the Undisturbed Date;
- (c) a premium of approximately 54.0% over the average closing price of approximately HK\$1.82 per Share as quoted on the Stock Exchange for the 30 trading days up to and including the Undisturbed Date;
- (d) a premium of approximately 55.3% over the average closing price of approximately HK\$1.80 per Share as quoted on the Stock Exchange for the 60 trading days up to and including the Undisturbed Date;

- (e) a premium of approximately 58.4% over the average closing price of approximately HK\$1.77 per Share as quoted on the Stock Exchange for the 90 trading days up to and including the Undisturbed Date;
- (f) a premium of approximately 62.3% over the average closing price of approximately HK\$1.73 per Share as quoted on the Stock Exchange for the 120 trading days up to and including the Undisturbed Date;
- (g) a premium of approximately 72.6% over the average closing price of approximately HK\$1.62 per Share as quoted on the Stock Exchange for the 180 trading days up to and including the Undisturbed Date;
- (h) a premium of approximately 25.6% over the closing price of HK\$2.23 per Share as quoted on the Stock Exchange on the Last Trading Date;
- (i) a premium of approximately 49.1% over the average closing price of approximately HK\$1.88 per Share as quoted on the Stock Exchange for the five trading days up to and including the Last Trading Date;
- (j) a premium of approximately 52.5% over the average closing price of approximately HK\$1.84 per Share as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Date;
- (k) a premium of approximately 54.6% over the average closing price of approximately HK\$1.81 per Share as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Date;
- (i) a premium of approximately 57.9% over the average closing price of approximately HK\$1.77 per Share as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Date;
- (m) a premium of approximately 61.7% over the average closing price of approximately HK\$1.73 per Share as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Date;
- (n) a premium of approximately 72.1% over the average closing price of approximately HK\$1.63 per Share as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Date; and
- (o) a premium of approximately 41.1% to the audited consolidated net asset value attributable to Shareholders per Share of approximately HK\$1.98 as at 31 December 2020 (based on a HK\$ to RMB exchange rate of HK\$1 to RMB0.83183, being the exchange rate as quoted by the People's Bank of China on the Last Trading Date).

## **Highest and lowest prices**

During the six-month period ended on and including the Last Trading Date, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$2.23 on 5 August 2021, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$1.42 on 8 February 2021.

## **Basis for determining the Cancellation Price**

The Cancellation Price has been determined on a commercial basis after taking into account, among other things, the recent and historic traded prices of the Shares, publicly available financial information of the Company, the trading multiples of comparable trading companies and with reference to other privatisation or take private transactions in Hong Kong in recent years.

**The Offeror will not increase the Cancellation Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.**

## **Dividend payment by the Company**

As at the date of this announcement, the Company has not declared any dividend which remains unpaid. The Company does not intend to declare and/or pay any dividend before the Effective Date or the date on which the Scheme is not approved, or the Proposal otherwise lapses (as the case may be).

## **Events following the Scheme becoming effective**

On the basis of the number of Scheme Shares in issue as at the date of this announcement, if the Conditions are fulfilled and upon the Scheme becoming effective:

- (a) all of the Scheme Shares will be cancelled;
- (b) the issued share capital of the Company will be reduced by the cancellation of all the Scheme Shares. Immediately after such reduction, the Company will issue to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled such that the issued share capital of the Company will be restored to its amount in issue immediately before the capital reduction. The reserve created in the books of accounts of the Company as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new Shares so issued, credited as fully paid; and
- (c) the listing of the Shares on the Stock Exchange will be withdrawn pursuant to Rule 6.15 of the Listing Rules.

## CONFIRMATION OF FINANCIAL RESOURCES

Taking into account that the Founder Scheme Shares and the Rollover Scheme Shares will be cancelled in consideration for the Founder Cancellation Consideration and the Rollover Cancellation Consideration respectively, the Proposal will involve making an offer to cancel 189,269,300 Scheme Shares, in exchange for the Cancellation Price of HK\$2.80 per Scheme Share in cash.

The total amount of cash required to implement the Proposal in full would be approximately HK\$529,954,040. The Offeror proposes to finance the cash consideration payable under the Proposal with equity commitments from the Affirma Funds.

SCB, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for satisfying in full its payment obligations in respect of the cash consideration payable under the Proposal.

## CONDITIONS OF THE PROPOSAL

The Proposal and the Scheme will only become effective and binding on the Company and all of the Shareholders if the following Conditions are fulfilled or waived (as applicable):

- (a) the approval of the Scheme (by way of poll) by a majority in number of the Disinterested Shareholders representing not less than 75% in value of the Scheme Shares held by the Disinterested Shareholders as at the Meeting Record Date, present and voting either in person or by proxy at the Court Meeting (and the Founder Shareholders and the Rollover Shareholders having provided undertakings to the Grand Court as set out herein to be bound by the Scheme and to receive the Founder Cancellation Consideration or the Rollover Cancellation Consideration (as the case may be) in consideration for cancellation of the Founder Scheme Shares or the Rollover Scheme Shares (as the case may be) under the Scheme – see the section headed “*Irrevocable Undertakings*” below), provided that:
  - (i) the Scheme is approved (by way of poll) by the Disinterested Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Shareholders that are voted either in person or by proxy at the Court Meeting; and
  - (ii) the number of votes cast (by way of poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by all the Disinterested Shareholders;
- (b) (i) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the General Meeting to approve and give effect to the reduction of the share capital of the Company by cancelling and extinguishing the Scheme Shares; and (ii) the passing of an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting at the General Meeting to



immediately thereafter increase the issued share capital of the Company and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled, credited as fully paid, for issuance to the Offeror;

- (c) the Grand Court's sanction of the Scheme (with or without modifications) and its confirmation of the reduction of the share capital of the Company, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court for registration;
- (d) compliance, to the extent necessary, with the procedural requirements and conditions, if any, under Sections 14 and 17 of the Companies Act in relation to the reduction of the issued share capital of the Company;
- (e) in relation to the Rollover Arrangement: (i) the receipt of an opinion from the Independent Financial Adviser to the Independent Board Committee confirming that the Rollover Arrangement is fair and reasonable as far as the Disinterested Shareholders are concerned; (ii) the passing of an ordinary resolution by the Disinterested Shareholders at the General Meeting to approve the Rollover Arrangement; and (iii) the grant of consent under Rule 25 of the Takeovers Code from the Executive to the Rollover Arrangement;
- (f) all Approvals which are (i) required in connection with the Proposal by Applicable Laws or any licenses, permits or contractual obligations of the Company; and (ii) material in the context of the Group (taken as a whole), having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification up to and as at the Effective Date;
- (g) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal);
- (h) all Applicable Laws having been complied with and no legal or regulatory requirement having been imposed by any Authority which is not expressly provided for, or is in addition to the requirements expressly provided for, in the Applicable Laws in connection with the Proposal which are material in the context of the Group (taken as a whole), in each case up to and as at the Effective Date;
- (i) since the date of this announcement, there having been no material adverse change to the business, financial or trading position of the Group, each taken as a whole; and
- (j) save in connection with the implementation of the Proposal, the listing of the Company on the Stock Exchange not having been withdrawn, and no indication having been received from the Executive and/or the Stock Exchange to the effect that the listing of the Shares on the Stock Exchange is or is likely to be withdrawn.

The Conditions in paragraphs (a) to (e) (inclusive) above are not waivable. The Offeror reserves the right to waive all or any of the Conditions in paragraphs (f) to (j) (inclusive) in whole or in part. The Company does not have the right to waive any of the Conditions. All of the above Conditions must be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Proposal if the circumstances which give rise to the right to invoke such Condition are of material significance to the Offeror in the context of the Proposal.

As at the date of this announcement and based on the information available to the Offeror and the Company, other than pursuant to the Conditions in paragraphs (a) to (e) (inclusive), the Offeror and the Company are not aware of any Approvals which are required as set out in the Condition in paragraph (f) above, and the Offeror and the Company are also not aware of any other circumstances which may result in any of the Conditions in paragraphs (f) to (j) (inclusive) not being satisfied. In particular, as at the date of this announcement, the Company is not aware of any Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry as set out in the Condition in paragraph (g).

If the Conditions are satisfied or validly waived (as applicable), the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting.

**Warning: Shareholders and potential investors should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. Shareholders and potential investors 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 stockbroker, bank manager, solicitor or other professional advisers.**

## **VOTING AT THE COURT MEETING AND THE GENERAL MEETING**

Only Disinterested Shareholders as at the Meeting Record Date will be entitled to attend and vote at the Court Meeting to approve the Scheme.

Each of the Founder Shareholders and the Rollover Shareholders, *in lieu* of a class meeting or meetings to approve the Scheme, has agreed to undertake to the Grand Court to be bound by the Scheme and to receive the Founder Cancellation Consideration or the Rollover Cancellation Consideration (as the case may be) in consideration for cancellation of the Founder Scheme Shares or the Rollover Scheme Shares (as the case may be) under the Scheme. The Offeror will also undertake to the Grand Court to be bound by the Scheme.

All Shareholders will be entitled to attend the General Meeting and vote on the restoration of the share capital of the Company (as described in the Condition in paragraph (b) above), but for the purposes of the Takeovers Code, only the Disinterested Shareholders will be entitled to vote at the General Meeting on the ordinary resolution to approve the Rollover Arrangement (as described in the Condition in paragraph (e) above) and the Founder Shareholders and the Rollover Shareholders shall not be entitled to vote on such resolution.

## **IRREVOCABLE UNDERTAKINGS**

On 12 August 2021, (i) each of the Founder Shareholders has given irrevocable undertakings under the Consortium Agreement in favour of the Offeror, Affirma HoldCo and/or HoldCo; and (ii) each of the Rollover Shareholders and the Employee Trustee has given irrevocable undertakings under the Rollover Agreement in favour of the Offeror, HoldCo, the Founder Group and/or Affirma HoldCo, in each case, to take certain actions, including (among other things):

- (a) in the case of the Founder Shareholders:
  - (i) to agree to and assist in implementing the cancellation of the Founder Scheme Shares in consideration for the Founder Cancellation Consideration; and
  - (ii) in *lieu* of a class meeting to approve the Scheme, to provide undertakings to the Grand Court to agree to and be bound by the Scheme and to receive the Founder Cancellation Consideration in consideration for cancellation of their Founder Scheme Shares under the Scheme;
- (b) in the case of the Rollover Shareholders and the Employee Trustee:
  - (i) to agree to and assist in implementing the cancellation of the Rollover Scheme Shares in consideration for the Rollover Cancellation Consideration; and
  - (ii) (in respect of the Rollover Shareholders only) in *lieu* of a class meeting to approve the Scheme, to provide undertakings to the Grand Court to agree to and be bound by the Scheme and to receive the Rollover Cancellation Consideration in consideration for cancellation of their Rollover Scheme Shares under the Scheme;
- (c) (in respect of the Founder Shareholders and the Rollover Shareholders only) to the extent permitted by Applicable Laws (including the Takeovers Code), to vote any Shares held by them in favour of any resolutions proposed at the General Meeting to implement the Scheme or which are necessary for the Scheme to become effective; and
- (d) not to: (i) dispose of any interest in any Shares held by them; (ii) accept any other offer to acquire such Shares; or (iii) vote in favour of any resolution which is proposed in competition with the Scheme, until the Scheme becomes effective, lapses or is withdrawn.

As set out in the section headed “*Voting at the Court Meeting and the General Meeting*”, none of the Founder Shareholders nor the Rollover Shareholders will attend or vote at the Court Meeting to approve the Scheme, nor vote at the General Meeting on the ordinary resolution to approve the Rollover Arrangement (as described in the Condition in paragraph (e) above).

Each of the Founder Irrevocable Undertakings (given under the Consortium Agreement) and the Rollover Irrevocable Undertakings (given under the Rollover Agreement) will be terminated if the Scheme is not approved or the Proposal otherwise lapses or is withdrawn.

## **ARRANGEMENTS MATERIAL TO THE PROPOSAL**

### **Consortium Agreement**

On 12 August 2021, the Founder Shareholders, Affirma HoldCo, HoldCo and the Offeror entered into the Consortium Agreement, pursuant to which the parties have agreed to implement the Proposal.

Under the Consortium Agreement:

- (a) Affirma HoldCo shall fund or shall procure the funding by way of capital contribution in cash to the Offeror at such time as is required to enable the Offeror to satisfy its obligations in respect of the cash consideration payable under the Scheme;
- (b) immediately upon the aforementioned capital contribution by Affirma HoldCo to the Offeror:
  - (i) HoldCo shall credit all of the unpaid HoldCo Shares held by Affirma HoldCo as fully paid; and
  - (ii) the Offeror shall credit such number of Offeror Shares being the portion of the unpaid Offeror Shares represented by the interest of Affirma HoldCo in HoldCo as fully paid;
- (c) on the Effective Date immediately upon the Scheme becoming effective;
  - (i) all issued and outstanding Scheme Shares (and for the avoidance of doubt, including all the Founder Scheme Shares and the Rollover Scheme Shares) as at the Scheme Record Date will be cancelled;
  - (ii) the Offeror shall subscribe for, and the Company shall allot and issue to the Offeror, such number of new Shares as is equal to the aggregate number of the Scheme Shares cancelled pursuant to paragraph (c)(i);
  - (iii) as consideration for the allotment and issue of the new Shares pursuant to paragraph (c)(ii), the Offeror shall credit such number of Offeror Shares being the portion of the unpaid Offeror Shares represented by the interest of Founder HoldCo in HoldCo as fully paid; and

- (iv) as consideration for the crediting of the unpaid Offeror shares pursuant to paragraph (c)(iii) above, HoldCo shall credit all the unpaid HoldCo Shares held by Founder HoldCo and the unpaid HoldCo Shares held by Affirma HoldCo as fully paid; and
- (d) each of the Founder Shareholders has given irrevocable undertakings in favour of the Offeror, Affirma HoldCo and/or HoldCo to take certain actions as described in the section headed “*Irrevocable Undertakings*” of this announcement; and
- (e) each of the members of the Founder Group has agreed to indemnify the Offeror, HoldCo and Affirma HoldCo and their respective affiliates, and each of their respective officers, directors, employees, agents, representatives, successors and assigns for all losses which any such indemnitee may suffer as a result of any taxes of any member of the Founder Group and/or any member of the Group arising from any written notifications after the Effective Date in respect of any material tax and penalties from any tax authority (i) with respect to taxable periods ending on or before the Effective Date; or (ii) attributable to any income, profits or gains earned, accrued or received on or before the Effective Date.

The Consortium Agreement (including the Founder Irrevocable Undertakings but excluding, among other things, the tax indemnity set out in paragraph (e) above) will be terminated if the Scheme is not approved or the Proposal otherwise lapses or is withdrawn.

### **Shareholders’ Agreement**

On 12 August 2021, the Founder Shareholders, HoldCo and Affirma HoldCo entered into the Shareholders’ Agreement in respect of the future governance of the Offeror Group after the Scheme becomes effective. A summary of the key terms of the Shareholders’ Agreement which will take effect upon the Scheme becoming effective is set out below:

- (a) **Shareholding.** Immediately upon the Scheme becoming effective: (i) Founder HoldCo will hold a majority (approximately 70.72%) of the ordinary shares in HoldCo; and (ii) Affirma HoldCo will hold a minority (29.28%) of the ordinary shares in HoldCo. For further detail, please refer to the section headed “*Information of the Offeror Group*” below.
- (b) **Board composition:** With effect from the Scheme becoming effective, Ms. Jiang, the chairman of the Board, shall have the right to nominate, appoint and replace all members of the board of directors of any member of the Offeror Group.
- (c) **Quorum of the general meetings:** The quorum of all general meetings of HoldCo must include at least Founder HoldCo.
- (d) **Reserved matters:** The management and operation of HoldCo and the Offeror Group shall be vested in Founder HoldCo, while Affirma HoldCo shall have a veto right over a number of customary minority protection reserved matters.

- (e) **Distributions:** The directors of HoldCo or any member of the Offeror Group shall take into account the cashflow, cash resources and future business plan of the relevant member of the Offeror Group before making any distribution.
- (f) **Exit:** The Founder Shareholders and HoldCo shall regularly discuss with Affirma HoldCo on matters relating to the qualified listing of the Group on a recognised stock exchange (including the Shanghai Stock Exchange, the Shenzhen Stock Exchange, or any other PRC or internationally recognised stock exchange mutually agreed between the parties). Affirma HoldCo shall cooperate with and provide assistance to the Founder Shareholders as reasonably required by the Founder Shareholders. If a qualified listing of the Group is not completed within 60 months after the Effective Date, Affirma HoldCo has the right to require the Founder Shareholders or the relevant members of the Offeror Group to redeem or acquire all shares in HoldCo held by Affirma HoldCo.
- (g) **Restrictions on transfer of securities by Affirma HoldCo:** Affirma HoldCo is restricted from transferring securities of any member of the Offeror Group (whether directly or indirectly) from the Effective Date until (i) the date falling on 60 months from the Effective Date or (ii) the date of completion of a qualified listing of the Group, whichever is the earlier, unless the prior written consent of Founder HoldCo is obtained. After the aforementioned lock-up period, Affirma HoldCo and Founder HoldCo may jointly identify and select potential third-party purchaser(s) to whom Affirma HoldCo may sell its shares in HoldCo, provided that Founder HoldCo has a right of first offer in respect of Affirma HoldCo's shares in HoldCo.
- (h) **Restriction on transfer of securities by the Founder Shareholders:** The transfer of securities in any member of the Offeror Group by the Founder Shareholders shall be subject to a right of first offer and a tag-along right of Affirma HoldCo.
- (i) **Pre-emption right:** Each shareholder of HoldCo has a pre-emption right to participate in any future issuance of new securities by HoldCo.
- (j) **Management incentive plan:** At any time after six months from the Effective Date, HoldCo may implement a management incentive plan, pursuant to which it may issue new shares representing not more than 13.67% of the issued share capital in HoldCo (representing an indirect shareholding of 3.5% of the issued share capital in the Company) (on a fully diluted basis) to members of the senior management of the Group.
- (k) **Non-compete and non-solicit:** For so long as Affirma HoldCo holds any shares in HoldCo or any interest in the Offeror Group, the Founder Shareholders (on their behalf and on behalf of the members of the Offeror Group) must not solicit the employment of the senior managers of the Offeror Group or carry on any businesses which may compete with the businesses of the Offeror Group.

- (l) **Termination:** The Shareholders' Agreement shall terminate (i) by the parties' written agreement; (ii) if Affirma HoldCo ceases to hold any shares in HoldCo; and (iii) upon the completion of a qualified listing.

### **Rollover Agreement and Rollover Arrangement**

On 12 August 2021, the Offeror, HoldCo and each of the Rollover Shareholders and the Employee Trustee entered into the Rollover Agreement in relation to the Rollover Arrangement, pursuant to which:

- (a) on the Effective Date:
- (i) the Rollover Scheme Shares will be cancelled in consideration for the Rollover Cancellation Consideration, being the allotment and issue of the Offeror Rollover Shares to the Rollover Shareholders credited as fully paid in the amount equivalent to the aggregate amount of the Cancellation Price per Scheme Share with respect to all the Rollover Scheme Shares; and
  - (ii) each of the Rollover Shareholders and the Employee Trustee has given irrevocable undertakings in favour of the Offeror, HoldCo, the Founder Group and/or Affirma HoldCo to take certain actions as described in the section headed "*Irrevocable Undertakings*" of this announcement; and
- (b) each of the Rollover Shareholders and the Employee Trustee has agreed to indemnify the Offeror, HoldCo, the Founder Group and Affirma HoldCo and their respective affiliates, and each of their respective officers, directors, employees, agents, representatives, successors and assigns for all losses which any such indemnitee may suffer as a result of any breach of any of the representations, warranties and/or undertakings provided by the relevant Rollover Party and any non-performance by the relevant Rollover Party of any obligations to be performed by or on the part of it thereunder.

The Rollover Agreement (including the Rollover Irrevocable Undertakings) will be terminated if the Scheme is not approved or the Proposal otherwise lapses or is withdrawn.

The Rollover Parties comprise:

- (a) the Management HoldCos, which in turn are wholly owned by the Employee Trustee as the trustee of the Senior Management Trust. The beneficiaries of the Senior Management Trust include certain members of senior management employed or formerly employed by the Group and their dependents;
- (b) the Employee Trustee, which is a private trust company incorporated in Gibraltar holding 100% of the issued share capital of Management HoldCo 1 and Management HoldCo 2 and the trustee of the Senior Management Trust; and



- (c) the Senior Management Trust, which is an irrevocable discretionary trust established by Mr. Zeng (as the settlor) for the benefit of certain senior management employed or formerly employed by the Group and their dependents, with Employee Trustee as the trustee; and
- (d) Mr. Fang, who controls entities which are key suppliers of the Group, and has been a Shareholder since the initial public offering of the Company.

As at the date of this announcement, the Rollover Shareholders directly hold 92,956,400 Shares (in aggregate) (representing approximately 12.57% of the issued share capital of the Company as at the date of this announcement).

The Founder Group believes that (i) the beneficiaries of the Senior Management Trust (the majority of which are current employees of the Group) have made a significant and invaluable contribution to the business of the Group over the past decades, and continue to be instrumental to the daily operations of the Group (in the case of current employees of the Group) or continue to provide valuable strategic advice or services to the development of the Group (in the case of former employees of the Group); and (ii) Mr. Fang has made significant contribution to the business of the Group since the initial public offering of the Company and continues to bring strategic benefits to the Group following completion of the Scheme, and as such it would be important to offer the Rollover Arrangement to the Rollover Parties and to allow the Rollover Parties to retain their shareholding interests in the Group in order to secure their continued support for the future of the Group.

As the Rollover Arrangement is not offered to all Shareholders, the Rollover Arrangement constitutes a special deal under Rule 25 of the Takeovers Code and requires the consent of the Executive under Rule 25 of the Takeovers Code. The Offeror will make an application for consent to the Executive, and the Proposal and the Scheme are subject to fulfilment of the Condition relating to the Rollover Arrangement in paragraph (e) of, and as described in, the section headed “*Conditions of the Proposal*” of this announcement above.

### **Implementation Agreement**

On 12 August 2021, the Offeror and the Company entered into the Implementation Agreement, pursuant to which the parties have agreed to use all reasonable endeavours to do all such things to implement the Proposal and co-operate to obtain all Approvals required in connection with the Proposal.

Under the Implementation Agreement, the Company has undertaken to the Offeror to:

- (a) use all reasonable endeavours to implement the Scheme;
- (b) procure that, prior to the earlier of the Effective Date and the termination of the Implementation Agreement, the Group shall not take certain actions, including (among other things):
  - (i) carrying on its business, other than in the ordinary and usual course;

- (ii) issuing any Shares;
- (iii) entering into any merger or acquiring or disposing of any material assets; and
- (iv) entering into any transaction with any shareholder and/or director of any member of the Group, other than in the ordinary and usual course.

In addition, pursuant to the Implementation Agreement, the Company undertakes to terminate the Share Option Scheme immediately upon the Scheme becoming effective. Since the date of the adoption of the Share Option Scheme, no share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme and the Company does not have any outstanding share options in issue as at the date of this announcement.

Nothing in the Implementation Agreement is intended to prevent or deprive: (1) the Shareholders from having the opportunity to consider, or (2) the Company from considering, in each case, any unsolicited alternative offers, proposals or transactions in respect of, or for, the issued ordinary share capital or assets or undertakings (whether the whole or a substantial part) of the Company or the Group from any person other than the Offeror.

The Implementation Agreement will be terminated if the Scheme is not approved or the Proposal otherwise lapses or is withdrawn.

### **Other arrangements**

As at the date of this announcement:

- (a) save for the Proposal, the Scheme, the Rollover Arrangement, the Rollover Agreement, the Irrevocable Undertakings, the Shareholders' Agreement, the Consortium Agreement and the Implementation Agreement, there is no agreement or arrangement (whether by way of option, indemnity or otherwise) in relation to the Shares or shares of the Offeror or any Offeror Concert Parties which might be material to the Proposal;
- (b) there is no agreement or arrangement to which the Offeror or any of the Offeror Concert Parties is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a Condition to the Proposal;
- (c) save for the Founder Irrevocable Undertakings under the Consortium Agreement and the Rollover Irrevocable Undertakings under the Rollover Agreement, neither the Offeror nor any Offeror Concert Parties have received any irrevocable commitment to vote for or against the Proposal;
- (d) save for the Founder Irrevocable Undertakings, the Rollover Irrevocable Undertakings and the arrangements disclosed in this section headed "*Arrangements Material to the Proposal*", there is no understanding, arrangement or agreement or special deal between (i) any Shareholder of the

Company; and (ii) either (A) the Offeror or any Offeror Concert Parties (including the Founder Group and the Affirma Group); or (B) the Company or the Company's subsidiaries or associated companies; and

- (e) save for the Founder Cancellation Consideration, the Rollover Cancellation Consideration or the Cancellation Price of HK\$2.80 per Scheme Share payable under the Scheme to the Founder Shareholders, the Rollover Shareholders or the other Scheme Shareholders (as the case may be), the Offeror or the Offeror Concert Parties have not paid and will not pay any other consideration, compensation or benefit in whatever form to the Scheme Shareholders or persons acting in concert with them in relation to the cancellation of the Scheme Shares.

## **SHAREHOLDING STRUCTURE OF THE COMPANY**

As at the date of this announcement:

- (a) the issued share capital of the Company comprises 739,302,000 Shares;
- (b) the Offeror does not legally or beneficially own, control or have direction over any Shares;
- (c) as detailed in this section and the shareholding table below, the Founder Group, through Mr. Zeng directly and Founder HoldCo, legally and/or beneficially owns, controls or has direction over a total of 457,076,300 Shares, representing approximately 61.83% of the total Shares, all of which are the Founder Scheme Shares;
- (d) additionally, the Founder Group, through Mr. Zeng in his capacity as the settlor of the Senior Management Trust, is also deemed to be interested in 58,937,400 Shares held by Management HoldCos, representing approximately 7.97% of the total Shares. For the avoidance of doubt, given the ultimate beneficial owners of these Shares are not Mr. Zeng or any member of the Founder Group, such 58,937,400 Shares have not been included as part of the Founder Scheme Shares, but have been included as part of the Rollover Scheme Shares;
- (e) the Rollover Parties together legally and/or beneficially own, control or have direction over a total of 92,956,400 Shares (in aggregate), representing approximately 12.57% of the total Shares, all of which are the Rollover Scheme Shares. For the avoidance of doubt, such 92,956,400 Shares include the 58,937,400 Shares described in paragraph (d) above;
- (f) the Affirma Group does not legally or beneficially own, control or have direction over any Shares;
- (g) members of the SCB Group, being an Offeror Concert Party, do not legally or beneficially own, control or have direction over any Shares (except those members who are exempt principal traders for the purpose of the Takeovers Code);

- (h) save as disclosed above and below in this section, none of the other Offeror Concert Parties legally or beneficially owns, controls or has direction over any Shares;
- (i) the Disinterested Shareholders legally or beneficially own, control or have direction over a total of 189,269,300 Shares, representing approximately 25.60% of the total Shares;
- (j) save as disclosed in the section headed “*Disclosure of Dealings*”, none of the Offeror nor any of the Offeror Concert Parties have had any dealings for value in the Shares during the period commencing six months prior to the date of this announcement;
- (k) neither the Offeror nor any of the Offeror Concert Parties have entered into any outstanding derivative in respect of the securities in the Company; and
- (l) neither the Offeror nor any of the Offeror Concert Parties have borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

The Founder Scheme Shares will be cancelled in consideration for the Founder Cancellation Consideration. The Rollover Scheme Shares will be cancelled in consideration for the Rollover Cancellation Consideration. All other Scheme Shares will be cancelled in consideration for the Cancellation Price in cash upon the Scheme becoming effective.

The table below sets out the shareholding structure of the Company as at the date of this announcement and immediately following implementation of the Proposal, assuming that there is no other change in the shareholding of the Company before the Effective Date.

Shareholder	As at the date of this announcement		Immediately upon the Scheme becoming effective	
	Number of Shares	Approximate % of total Shares <sup>(6)</sup>	Number of Shares	Approximate % of total Shares <sup>(6)</sup>
<b>(A1) Founder Group</b>				
<b>Founder Scheme Shares that will be cancelled in consideration for the Founder Cancellation</b>				
<b>Consideration</b>				
Founder HoldCo <sup>(1)</sup>	453,025,800	61.28%	–	–
Mr. Zeng <sup>(2)</sup>	4,050,500	0.55%	–	–
<b>(A2) Affirma HoldCo</b>	–	–	–	–
<b>(A3) Offeror</b>	–	–	739,302,000	100%
<b>(A) Sub-total (A1) + (A2) + (A3)</b>	457,076,300	61.83%	739,302,000	100%
<b>(B) Rollover Shareholders</b>				
<b>Rollover Scheme Shares that will be cancelled in consideration for the Rollover Cancellation</b>				
<b>Consideration</b>				
Mr. Fang <sup>(3)</sup>	34,019,000	4.60%	–	–
Management HoldCo 1 <sup>(4)</sup>	41,837,400	5.66%	–	–
Management HoldCo 2 <sup>(4)</sup>	17,100,000	2.31%	–	–
<b>(B) Subtotal</b>	92,956,400	12.57%	–	–
<b>(C) Concert parties of the Offeror<sup>(5)</sup></b>	–	–	–	–
<b>(D) Disinterested Shareholders</b>	189,269,300	25.60%	–	–
<b>TOTAL (A) + (B) + (C) + (D)</b>	<u>739,302,000</u>	<u>100.00%</u>	<u>739,302,000</u>	<u>100.00%</u>

*Note (1):* Founder HoldCo is directly wholly owned by Founder Trust Company, which in turn is directly wholly owned by the Founder Trustee as the trustee of the Founder Trust. The Founder Trust is an irrevocable discretionary trust established by Mr. Zeng as the settlor pursuant to a trust arrangement dated 25 February 2015 in respect of the shares in Founder Trust Company for the benefit of Mr. Zeng and his children and descendants.

*Note (2):* Mr. Zeng is the vice chairman of the Board and an executive Director and the general manager of the Group. Mr. Zeng is deemed to be interested in an aggregate of 516,013,700 Shares, representing approximately 69.79% of the issued share capital of the Company as at the date of this announcement, which consist of (i) 453,025,800 Shares held by Founder HoldCo, in his

capacity as the settlor of the Founder Trust; (ii) 58,937,400 Shares held by the Management HoldCos, in his capacity as the settlor of the Senior Management Trust; and (iii) 4,050,500 Shares directly held by Mr. Zeng.

*Note (3):* Mr. Fang controls entities which are key suppliers of the Group, and has been a Shareholder since the initial public offering of the Company.

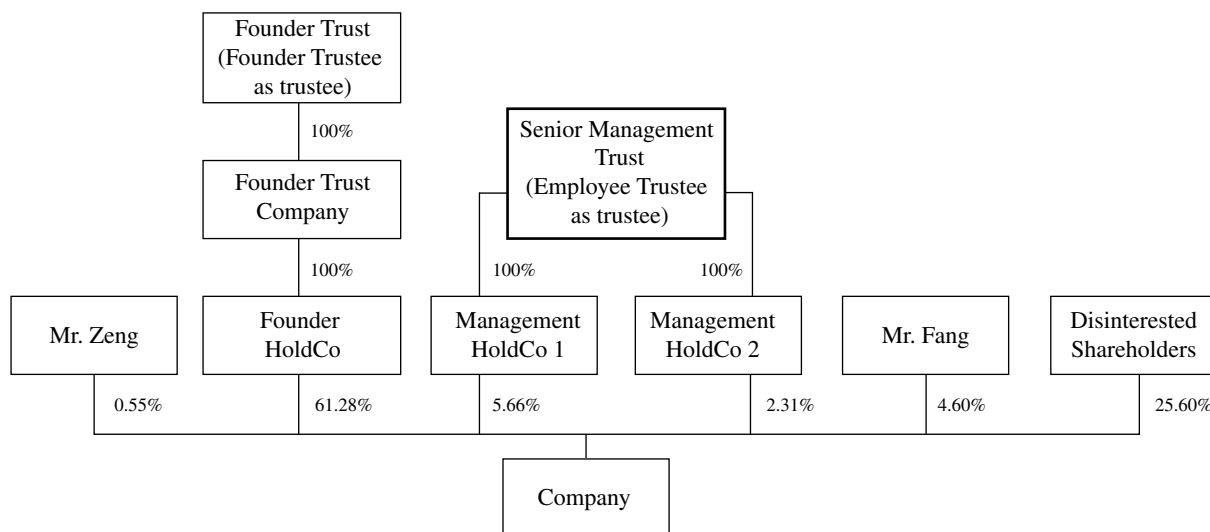
*Note (4):* Each of Management HoldCo 1 and Management HoldCo 2 is wholly owned by the Employee Trustee as trustee of the Senior Management Trust. The Senior Management Trust was established by Mr. Zeng (as the settlor) for the benefit of certain senior management employed or formerly employed by the Group and their dependents. Mr. HUANG Jianping, Mr. ZENG Kexiong, Mr. LU Xinghong and Mr. HE Jinqiang, are executive Directors and the beneficiaries of the Senior Management Trust in respect of the Shares held by Management HoldCo 2. As such, each of them is deemed to be interested in 17,100,000 Shares held by Management HoldCo 2, representing approximately 2.31% of the issued share capital of the Company as at the date of this announcement. Ms. Jiang, the chairman of the Board and a non-executive Director, is the protector of the Senior Management Trust. For so long as the Employee Trustee holds or controls Shares in the Company, all voting rights attaching to such Shares shall be exercised by an investment review panel consisting of Ms. Jiang and/or such other person(s) as they may wish to appoint. As a result, Ms. Jiang is deemed to be interested in 58,937,400 Shares held by Management HoldCos under the Senior Management Trust, representing approximately 7.97% of the issued share capital of the Company as at the date of this announcement. Save as disclosed in note (2) above and this note (4), no other Director has, or is deemed to have, interests in the Shares, underlying Shares and debentures of the Company as at the date of this announcement.

*Note (5):* SCB is the financial adviser to the Offeror in relation to the Proposal. Accordingly, members of the SCB Group which hold Shares on their own account or on a discretionary managed basis are presumed to be acting in concert with the Offeror in relation to the Company in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code (except in respect of the Shares held by exempt principal traders or exempt fund managers recognised by the Executive). Details of holdings or borrowings or lendings of, and dealings in, Shares or derivatives (as defined in Note 4 to Rule 22 of the Takeovers Code) in respect of them by other parts of the SCB Group will be obtained as soon as possible after this announcement has been made and (if applicable) disclosed in accordance with Note 1 to Rule 3.5 of the Takeovers Code. A further announcement will be made if the holdings, borrowings, lenders or dealings of the other parts of the SCB Group are significant. The holdings and dealings of those entities within the SCB Group will also be disclosed in the Scheme Document. Exempt principal traders which are connected for the sole reason that they are under the same control as SCB are not presumed to be acting in concert with the Offeror. However, Shares held by members of the SCB Group acting in the capacity of exempt principal traders shall not be voted at the Court Meeting and the General Meeting in accordance with the requirements of Rule 35.4 of the Takeovers Code unless the Executive allows such Shares to be so voted. Shares held by such exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the Court Meeting and the General Meeting if (i) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients, and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any voting discretion over the relevant Shares, and all voting instructions shall originate from the client only (if no instructions are given, then no votes shall be cast for the relevant Shares held by the relevant connected exempt principal trader). For

this purpose, where applicable, a written confirmation of the matters set out in points (i) and (ii) above and whether the relevant underlying clients are entitled to vote in the context of the Proposal will be submitted to the Executive.

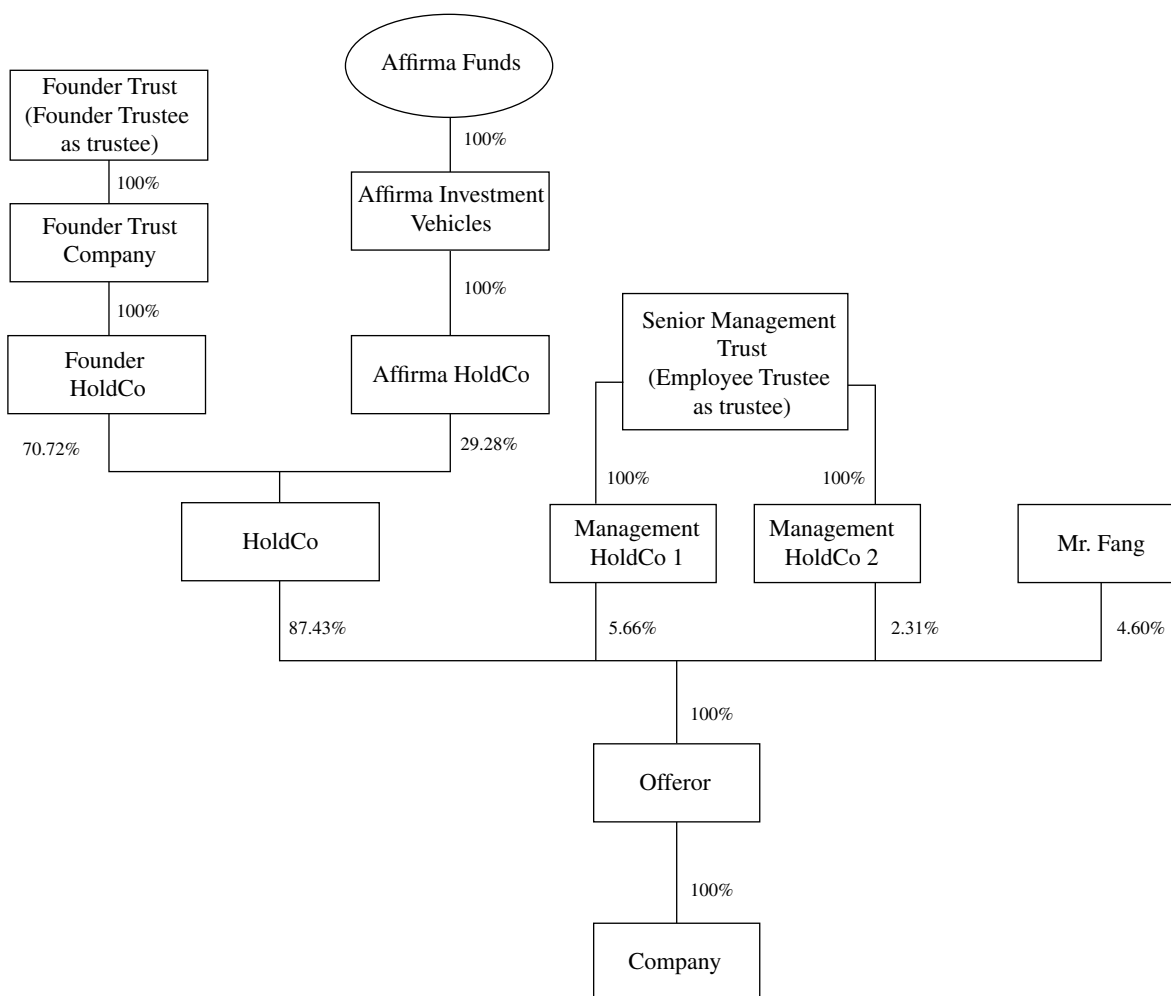
*Note (6):* The shareholding percentage in the table is subject to rounding adjustment.

The chart below sets out the illustrative shareholding structure of the Company as at the date of this announcement:





The chart below sets out the illustrative shareholding structure of the Company upon the Scheme becoming effective:



## INFORMATION OF THE GROUP

The Company is an exempted company with limited liability incorporated in the Cayman Islands, the shares of which have been listed on the Stock Exchange since 2015.

The Group's history dates back to 1956 when Liuzhou No. 2 Sweet Factory (柳州市糖果二廠), the predecessor of Guangxi Golden Throat Co., Ltd. (an indirect wholly owned subsidiary of the Company), was established. Currently, the Group has developed into a comprehensive modern group mainly engaging in the manufacture and sale of lozenges and other pharmaceutical and food products.

## INFORMATION OF THE OFFEROR GROUP

The Offeror Group comprises HoldCo, the Offeror and the Offeror's subsidiaries (which will include the Group upon the Scheme becoming effective).

- (a) HoldCo is an exempted company incorporated in the Cayman Islands with limited liability and set up for the implementation of the Proposal. As at the date of this announcement, HoldCo has 646,345,600 ordinary shares in issue, among which:
  - (i) Founder HoldCo holds 457,076,300 shares on an unpaid basis; and
  - (ii) Affirma HoldCo holds (i) 1 share credited as fully paid; and (ii) 189,269,299 shares on an unpaid basis.

Under the articles of association of HoldCo, no ordinary share held on an unpaid basis shall entitle its holder to any voting right. Accordingly, as at the date of this announcement and until all the unpaid shares in HoldCo are credited as fully paid on the Effective Date pursuant to the terms of the Scheme and the Consortium Agreement, Affirma HoldCo shall be entitled to exercise 100% of the voting rights in HoldCo.

- (b) The Offeror is an exempted company incorporated in the Cayman Islands with limited liability and set up for the implementation of the Proposal. As at the date of this announcement, the Offeror is wholly owned by HoldCo.
- (c) As at the date of this announcement, the board of directors of each of HoldCo and the Offeror comprise Ivo Laurence Philipps, Gilbert Zeng and Taeyub Kim.

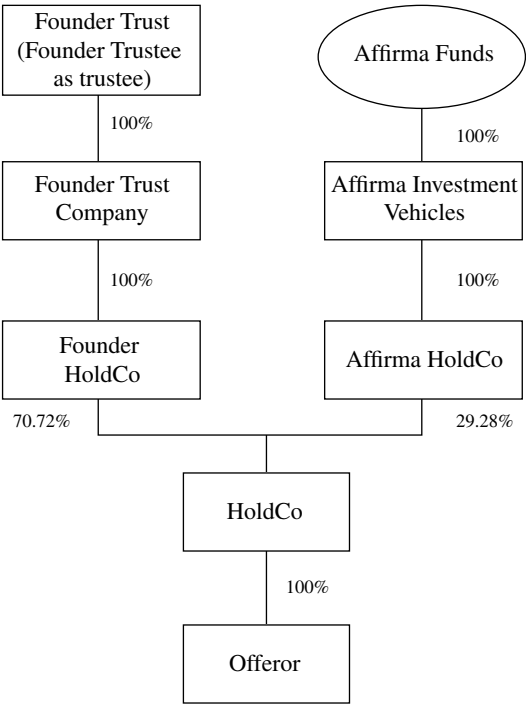
Ivo Laurence Philipps is a founding partner at Affirma and Affirma's chief operating officer. Prior to Affirma, Mr. Philipps was the chief operating officer of Standard Chartered Private Equity (SCPE) having previously managed the mezzanine and alternative solutions business, structuring mezzanine growth capital and balance sheet solutions for clients. He joined SCPE in 2009. Prior to joining Standard Chartered Bank, Mr. Philipps also worked at Barclays in the United Kingdom, Misys Plc in London and the United Nations in East Africa. Mr. Philipps has an MBA from INSEAD and a BSc in Politics and Economics from Bristol University.

Gilbert Zeng is a founding partner at Affirma and Affirma's Head of China. Prior to Affirma, Mr. Gilbert Zeng was the managing director and the Head of China for SCPE. He has over 16 years of experience in private equity, investment banking and corporate law. Prior to joining SCPE, Mr. Gilbert Zeng worked at Houlihan Lokey in Hong Kong and Jones Day. Mr. Gilbert Zeng holds a Master of Law degree from Columbia Law School.

Taeyub Kim is a founding partner, and the Head of Korea for Affirma. Mr. Kim has 18 years of experience in consulting and private equity investment, and raised five private equity funds in Korea. Prior to joining Affirma, Mr. Kim was the managing director and the Head of Korea for

SCPE and was with the platform since 2008. Prior to joining SCPE, Mr. Kim played an integral role as a founding member of Shinhan Private Equity and a specialist in corporate finance at the Boston Consulting Group. Mr. Kim received a BS in psychology and an MBA from Seoul National University, and an MPA in International Development from the John F. Kennedy School of Government at Harvard University.

The chart below sets out the shareholding structure of the Founder Group and Affirma HoldCo and the Offeror Group as at the date of this announcement:



**INFORMATION OF THE FOUNDER GROUP AND AFFIRMA HOLDCO**

**Information of the Founder Group**

The Founder Group comprises Mr. Zeng, Founder HoldCo, Founder Trust Company and the Founder Trust.

- (a) Mr. Zeng, is the vice chairman of the Board and an executive Director and the general manager of the Group. Mr. Zeng was appointed as a Director in 2015 and is primarily responsible for overseeing the management and strategic development of the Group. Mr. Zeng is the son of Ms. Jiang, the chairman of the Board.
- (b) Founder HoldCo is an investment holding company incorporated in the British Virgin Islands on 3 April 2012. Founder HoldCo is wholly owned by Founder Trust Company, which is wholly owned by the Founder Trustee as trustee of the Founder Trust.

- (c) Founder Trust Company is a BVI business company incorporated in the British Virgin Islands on 23 September 2014. Founder Trust Company is directly wholly owned by the Founder Trustee as trustee of the Founder Trust.
- (d) The Founder Trust is an irrevocable discretionary trust established by Mr. Zeng as the settlor pursuant to a trust arrangement dated 25 February 2015 in respect of the shares in Founder Trust Company for the benefit of Mr. Zeng and his children and descendants.

### **Information of the Affirma Group**

The Affirma Group comprises Affirma HoldCo, Affirma, the Affirma Funds and the Affirma Investment Vehicles.

- (a) Affirma HoldCo is a company incorporated in Singapore with limited liability and set up for the implementation of the Proposal. Affirma HoldCo is ultimately wholly owned by the Affirma Funds. Affirma HoldCo is an independent third party and is not connected with and is not a person acting in concert with the Company or its subsidiaries or any connected persons of the Company (other than members of the Founder Group).
- (b) Affirma is an independent emerging market private equity firm owned and operated by the former senior leadership of Standard Chartered Private Equity, and manage over USD3.5 billion in assets. Affirma has a 19-year history of investing in emerging markets and has deployed over USD6 billion in more than 100 companies across Asia, Africa and the Middle East. For more information, please visit <https://affirmacapital.com/index.html>.
- (c) Each of Affirma Investment Vehicle 1 and Affirma Investment Vehicle 3 is a company incorporated in Singapore with limited liability, which is indirectly wholly owned by Augusta GP Pte. Ltd., which is the general partner of Augusta Fund I. Affirma Investment Vehicle 4 is a company incorporated in Singapore with limited liability, which is directly wholly owned by Augusta GP Pte. Ltd., which is the general partner of Augusta Fund I. Affirma Investment Vehicle 2 is a limited liability company incorporated in the Republic of Korea, which is directly wholly owned by Ascenta V.
- (d) Each of the Affirma Funds is advised or managed by Affirma.
  - (i) Save as disclosed below, the Affirma Funds are widely held among a large number of investors, including pension funds, financial institutions and various other partners.
  - (ii) ICG indirectly holds the majority of the limited partnership interests in Augusta Fund I, being one of the Affirma Funds. ICG manages third party funds and proprietary capital principally in closed-end funds. It was founded in 1989 and was listed on the London Stock Exchange in 1994, with stock code ICG. ICG has a network of 14 offices

throughout Europe, Asia Pacific and the United States. To date, ICG manage USD56.2 billion third-party assets globally, including corporate, secondary, capital market and real asset investments. For more information, please visit <https://www.icgam.com/>.

- (iii) Augusta GP Pte. Ltd. is the general partner of Augusta Fund I, which is ultimately controlled by Affirma Capital Limited, an exempted company incorporated in Cayman Islands with limited liability. Affirma Capital Managers Korea Limited is the general manager of Ascenta V, which is ultimately controlled by Affirma Capital Limited.

## **INFORMATION OF THE ROLLOVER PARTIES**

The Rollover Parties comprise the Management HoldCos, Employee Trustee, the Senior Management Trust and Mr. Fang.

- (a) Management HoldCo 1 (being one of the Management HoldCos) is a BVI business company incorporated in the British Virgin Islands. Management HoldCo 2 (being one of the Management HoldCos) is a BVI business company incorporated in the British Virgin Islands.
- (b) Employee Trustee is the trustee of the Senior Management Trust and holds 100% of the issued share capital of Management HoldCo 1 and Management HoldCo 2, which holds, in aggregate, 58,937,400 Shares in the Company.
- (c) The Senior Management Trust is an irrevocable discretionary trust established by Mr. Zeng (as the settlor) with Employee Trustee as the trustee for the benefit of certain senior management employed or formerly employed by the Group and their dependents.
- (d) Mr. Fang (being a Rollover Shareholder) controls entities which are key suppliers of the Group, and has been a Shareholder since the initial public offering of the Company.

## **REASONS FOR AND BENEFITS OF THE PROPOSAL**

**For the Company: a proposal to facilitate a necessary transformation of the business alongside a highly accomplished partner, amid challenging market conditions.**

Following implementation of the Proposal, the Offeror Group intends to undertake a business transformation in order for the Founder Group, Affirma HoldCo and the Group to focus their resources on the development of the manufacture and sale of lozenges and other pharmaceutical and food products. The Founder Group and Affirma HoldCo believe that the expansion and transformation of the businesses currently operated by the Company will be more effectively implemented away from the public equity markets. The Founder Group and Affirma HoldCo plan to contribute financial and operational resources to the Company in order to reinvigorate growth and seek out new business opportunities.

The Company considers a partnership with Affirma, a leading global strategic investor with a strong track record, to be advantageous. Affirma will bring benefits given its extensive network in the PRC and globally. Given that the Company and Affirma have a shared ambition to uncover potential for the manufacture and sale of lozenges and other pharmaceutical and food products, a partnership will be able to leverage their respective strengths in order to realise this common objective.

Following completion of the Proposal, the Founder Group, Affirma HoldCo and the Company may in due course consider various financing options to optimise the Company's capital structure and to fund its expansion, including but not limited to implementing an initial public offering of the Group on a recognised stock exchange in the future.

**For Scheme Shareholders: an attractive opportunity to realize their investment at a compelling premium.**

The trading liquidity of the Shares has been at a relatively low level over a prolonged period in recent years.

The average daily trading volume of the Shares listed on the Stock Exchange for the 180 consecutive trading days up to and including the Last Trading Day was approximately 147,865 Shares per day, representing only approximately 0.020% of the issued Shares as at the date of this announcement.

The relatively low trading liquidity of the Shares makes it difficult for the Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares. The Proposal provides an attractive opportunity for the Scheme Shareholders to monetize their Shares at a compelling premium to the current market price of the Company, without having to suffer from any illiquidity discount. The Cancellation Price of HK\$2.80 for each Scheme Share represents a premium of approximately 55.6% over the closing price of HK\$1.80 per Share as quoted on the Stock Exchange on the Undisturbed Date, and a premium of approximately 54.0% and 58.4% over the average closing price of approximately HK\$1.82 and HK\$1.77 per Share for 30 and 90 trading days up to and including the Undisturbed Date, respectively.

## **POSITIVE PROFIT ALERT ANNOUNCEMENT**

Reference is made to the Positive Profit Alert Announcement. Shareholders and potential investors of the Company should be aware that the Positive Profit Alert Announcement constitutes a profit forecast under Rule 10 of the Takeovers Code, and accordingly, must be reported on in accordance with Rule 10 of the Takeovers Code unless the interim results announcement of the Company for the six months ended 30 June 2021 has been published prior to the next document to be sent to the Shareholders in relation to the Proposal.

Given that the Positive Profit Alert Announcement was required to be made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO, the Company was required to issue the Positive Profit Alert Announcement as soon as practicable. The Company has encountered genuine practical difficulties in meeting the

reporting requirements as set out in Rule 10 of the Takeovers Code prior to the issue of the Positive Profit Alert Announcement. As a result, the Company issued the Positive Profit Alert Announcement on 10 August 2021, notwithstanding that the Positive Profit Alert Announcement did not fully comply with Rule 10 of the Takeovers Code, including but not limited to the requirement for the Positive Profit Alert Announcement to be separately reported on by its auditors or accountants and financial advisers or independent financial advisers.

The profit forecast as set out in the Positive Profit Alert Announcement will be reported on in accordance with Rule 10 of the Takeovers Code as soon as practicable and the relevant reports will be set out in the next document to be sent to the Shareholders in relation to the Proposal, unless the interim results announcement of the Company for the six months ended 30 June 2021 (which is expected to be published by the end of August 2021) has been published prior to the next document to be sent to the Shareholders in relation to the Proposal.

**Shareholders and potential investors of the Company should also note that the Positive Profit Alert Announcement does not meet the standard required by Rule 10 of the Takeovers Code and has not been reported on in accordance with the Takeovers Code. Shareholders and potential investors of the Company should therefore exercise caution in placing reliance on the Positive Profit Alert Announcement in assessing the merits and demerits of the Proposal and/or when dealing in the securities of the Company.**

#### **FINANCIAL ADVISERS, INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Offeror has appointed SCB as its financial adviser in connection with the Proposal.

An Independent Board Committee, which comprises the following independent non-executive Directors: Mr. LI Hua, Mr. ZHU Jierong and Mr. CHENG Yiqun, has been established by the Board to make a recommendation to the Disinterested Shareholders as to whether (i) the Proposal, and in particular the Scheme and the Rollover Arrangement, is fair and reasonable; and (ii) to vote in favour of the Rollover Arrangement and the resolutions in connection with the implementation of the Proposal at the General Meeting and the Scheme at the Court Meeting.

Ms. Jiang, the chairman of the Board and a non-executive Director of the Company, is the mother of Mr. Zeng. In addition, Ms. Jiang is the protector of the Senior Management Trust, one of the Rollover Parties. For so long as the Employee Trustee holds or controls Shares in the Company, all voting rights attaching to such Shares shall be exercised by an investment review panel consisting of Ms. Jiang and/or such other person(s) as they may wish to appoint. Furthermore, Ms. Jiang is the sole director of Founder HoldCo. Accordingly, the Board considers Ms. Jiang to be interested in the Proposal and the Rollover Arrangement and as such should not be a member of the Independent Board Committee in accordance with Rule 2.8 of the Takeovers Code.

The Independent Financial Adviser will be appointed by the Board in due course to advise the Independent Board Committee on the Proposal, the Scheme and the Rollover Arrangement. A further announcement will be made after the appointment of the Independent Financial Adviser.

The Scheme Document will contain the view of the Independent Board Committee (after considering the advice of the Independent Financial Adviser) on whether the Proposal and the Scheme are fair and reasonable and in the interests of the Shareholders as a whole.

## **WITHDRAWAL OF LISTING OF THE SHARES**

Upon the Scheme becoming effective, all Scheme Shares will be cancelled (with the equivalent number of new Shares being simultaneously issued and credited as fully paid to the Offeror) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, with effect immediately following the Effective Date.

The Scheme Shareholders will be notified by way of an announcement of the dates of the last day for dealing in the Shares and the day on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. A detailed timetable of the implementation of the Proposal will be included in the Scheme Document.

## **IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

Subject to the requirements of the Takeovers Code, the Scheme will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, announce an offer or possible offer for the Company, except with the consent of the Executive.

If the Independent Board Committee or the Independent Financial Adviser does not recommend the Proposal, and the Scheme is not approved, all expenses incurred by the Company in connection therewith shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code.



## **OVERSEAS SHAREHOLDERS**

The making and implementation of the Proposal to Scheme Shareholders who are not resident in Hong Kong may be affected by the Applicable Laws of the relevant jurisdictions. Any Scheme Shareholders who are not resident in Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements in their own jurisdictions.

It is the responsibility of any overseas Scheme Shareholders wishing to take any action in relation to the Proposal to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, compliance with the necessary formalities and the payment of any issue, transfer or other taxes due from such shareholder in such jurisdiction.

Any acceptance by the Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Offeror and the Company and their respective advisers, including SCB, the financial adviser to the Offeror, that those laws and regulatory requirements have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

In the event that the despatch or receipt of the Scheme Document by overseas Scheme Shareholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of the Offeror or the Company regard as unduly onerous or burdensome (or otherwise not in the best interests of the Offeror or the Company or their respective shareholders), the Scheme Document may not be despatched to such overseas Scheme Shareholders. For that purpose, the Company will apply for a waiver pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Scheme Document to such overseas Scheme Shareholders. In granting the waiver, the Executive will be concerned to see that all material information in the Scheme Document is made available to such Scheme Shareholders.

## **TAXATION ADVICE**

Scheme Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Proposal. It is emphasised that none of the Offeror, the Offeror Concert Parties, the Company, SCB nor any of their respective directors, officers or associates or any other person involved in the Proposal accepts responsibility (other than in respect of themselves, if applicable) for any taxation effects on, or liabilities of, any other persons as a result of their acceptance or rejection of the Proposal.

## **DESPATCH OF THE SCHEME DOCUMENT**

A Scheme Document including, among other things, further details of the Proposal, the Scheme and the Rollover Arrangement, an explanatory statement as required under the Companies Act, the expected timetable relating to the Proposal, the recommendations of the Independent Board

Committee, the letter of advice from the Independent Financial Adviser and notices of the Court Meeting and the General Meeting will be despatched to the Scheme Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code and Applicable Laws.

The Scheme Document will contain important information and the Disinterested Shareholders or Scheme Shareholders (as the case may be) are urged to read the Scheme Document carefully before casting any vote at (or providing any proxy in respect of) the Court Meeting or the General Meeting.

## **DISCLOSURE OF DEALINGS**

The respective associates (as defined in the Takeovers Code) of the Offeror, the Founder Group, the Affirma Group and the Company, including shareholders holding 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of each of the foregoing, are hereby reminded to disclose their dealings in the relevant securities of the Company.

Save as disclosed below, none of the Offeror nor any of the Offeror Concert Parties have had any dealings for value in the Shares during the period commencing six months prior to the date of this announcement.

<b>Name</b>	<b>Date of transactions</b>	<b>Purchase/Sale</b>	<b>On/off the Stock Exchange</b>	<b>No. of Shares involved</b>	<b>Transaction price per Share (HK\$)</b>
Mr. Fang	30 July 2021	Purchase	On	61,000	1.8606
	2 August 2021	Purchase	On	55,000	1.8000
	3 August 2021	Purchase	On	159,000	1.8123

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

*“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 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 \$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.”*

## **TRADING SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 10:49 a.m. on 5 August 2021 (Hong Kong time), pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 13 August 2021 (Hong Kong time).

## **DEFINITIONS**

“acting in concert” has the meaning given to it in the Takeovers Code, and “**persons acting in concert**” shall be construed accordingly

“Affirma” collectively, Affirma Capital (Singapore) Pte. Ltd., a company incorporated in Singapore, and its affiliates together with Affirma Capital Limited and its affiliates, and investment vehicles or funds managed or advised by the aforementioned entities and other Affirma branded funds (but excluding, for the avoidance of doubt, portfolio companies in which such funds and investment vehicles hold an interest)

“Affirma Funds” collectively:

- (a) Augusta Fund I; and
- (b) Ascenta V,

which, together, ultimately control Affirma HoldCo

“Affirma Group” the Affirma Funds, the Affirma Investment Vehicles, Affirma HoldCo and Affirma

“Affirma HoldCo” SILVER HOLDCO PTE. LTD., a limited liability company incorporated in Singapore with limited liability, which is directly or indirectly wholly owned by the Affirma Investment Vehicles and the Affirma Funds

“Affirma Investment Vehicle 1”	SILVER INVESTCO PTE. LTD., a limited liability company incorporated in Singapore, which is indirectly wholly owned by Augusta Fund I
“Affirma Investment Vehicle 2”	Silver Holdings Limited, a limited liability company incorporated in the Republic of Korea, which is directly wholly owned by Ascenta V
“Affirma Investment Vehicle 3”	AUGUSTA C HOLDCO PTE. LTD., a limited liability company incorporated in Singapore, which is indirectly wholly owned by Augusta Fund I
“Affirma Investment Vehicle 4”	AUGUSTA FUNDCO PTE. LTD., a limited liability company incorporated in Singapore, which is directly wholly owned by Augusta Fund I
“Affirma Investment Vehicles”	Affirma Investment Vehicle 1, Affirma Investment Vehicle 2, Affirma Investment Vehicle 3 and Affirma Investment Vehicle 4
“Applicable Laws”	with respect to any person, any laws, rules, regulations, guidelines, directives, treaties, judgements, decrees, orders or notices of any Authority that is applicable to such person
“Approvals”	licenses, approvals, permits, consents, permissions, clearances and registrations
“Ascenta V”	Ascenta V (Ascenta Number 5 Samo Tooja Habja Hoesa), a private equity fund established under the Financial Investment Services and Capital Markets Act of the Republic of Korea
“Augusta Fund I”	Augusta Fund 1, LP, a limited partnership in Singapore pursuant to the Limited Partnerships Act (Chapter 163B) of Singapore
“Authority”	any relevant government, administrative or regulatory body, or court, tribunal, arbitrator or governmental agency or authority or department (including any relevant securities exchange) and whether supranational, national, regional or local
“Board”	the board of Directors
“Cancellation Price”	the cancellation price of HK\$2.80 per Scheme Share
“Companies Act”	the Companies Act (2021 Revision) of the Cayman Islands

“Company”	Golden Throat Holdings Group Company Limited, an exempted company incorporated in the Cayman Islands, the Shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 6896)
“Condition(s)”	the condition(s) to the Proposal as set out in the section headed “ <i>Conditions of the Proposal</i> ” of this announcement
“Consortium Agreement”	the consortium agreement dated 12 August 2021 entered into between the Founder Shareholders, Affirma HoldCo, HoldCo and the Offeror, the key terms of which are further described in the section headed “ <i>Consortium Agreement</i> ”
“Court Meeting”	a meeting of the Disinterested Shareholders to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
“Despatch Date”	the date of despatch of the Scheme Document
“Director(s)”	the director(s) of the Company
“Disinterested Shareholders”	all of the Scheme Shareholders, other than any Scheme Shareholders acting in concert with the Offeror (which, for the avoidance of doubt, shall include the Founder Shareholders and the Rollover Shareholders)
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Act
“Employee Trustee”	Jin Chen Employee Holdings Limited, a private trust company incorporated in Gibraltar and managed and controlled by the Founder Trustee as its corporate director
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong or any delegate of the Executive Director
“Founder Cancellation Consideration”	the consideration to be received by the Founder Shareholders for the cancellation of the Founder Scheme Shares under the Scheme, being the crediting of the unpaid HoldCo Shares held by Founder HoldCo as being fully paid in the amount equivalent to the aggregate amount of the Cancellation Price of HK\$2.80 per Scheme Share with respect to all the Founder Scheme Shares pursuant to the terms of the Consortium Agreement

“Founder Group”	<p>(a) Mr. Zeng;</p> <p>(b) Founder HoldCo;</p> <p>(c) Founder Trust Company; and</p> <p>(d) the Founder Trust</p>
“Founder HoldCo”	Golden Throat International Holdings Limited, a BVI business company incorporated in the British Virgin Islands and wholly owned by the Founder Trust Company
“Founder Irrevocable Undertakings”	the irrevocable undertakings given by the Founder Shareholders in respect of the Founder Scheme Shares as described in the section headed “ <i>Irrevocable Undertakings</i> ”
“Founder Scheme Shares”	457,076,300 Scheme Shares (in aggregate) directly held by Mr. Zeng and Founder HoldCo, representing approximately 61.83% of the issued share capital of the Company as at the date of this announcement
“Founder Shareholders”	Mr. Zeng and Founder HoldCo
“Founder Trust”	an irrevocable discretionary trust established by Mr. Zeng as the settlor pursuant to a trust arrangement dated 25 February 2015 for the benefit of Mr. Zeng and his children and descendants, with the Founder Trustee as trustee which directly wholly owns Founder Trust Company
“Founder Trust Company”	Jin Jiang Global Investment Company Limited, a BVI business company incorporated in the British Virgin Islands which wholly owns all of the issued shares in Founder HoldCo and whose issued shares are held by the Founder Trustee as trustee of the Founder Trust
“Founder Trustee”	Sovereign Trust International Limited, a professional corporate trustee licensed by the Gibraltar Financial Services Commission
“General Meeting”	an extraordinary general meeting of the Company to be held promptly after the conclusion or adjournment of the Court Meeting for the purpose of approving, among other things, the reduction of the share capital of the Company and the implementation of the Scheme

“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HoldCo”	Aureli Holdings Ltd, an exempted company incorporated in the Cayman Islands which is directly wholly-owned by the Founder Group and Affirma HoldCo
“HoldCo Shares”	the ordinary shares in the capital of HoldCo
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“ICG”	Intermediate Capital Group plc, which is a public company incorporated in the England and Wales and listed on the London Stock Exchange with stock code ICP.L
“Implementation Agreement”	the implementation agreement dated 12 August 2021 entered into between the Offeror and the Company pursuant to which the parties have agreed to pursue the Proposal (the key terms of which are further described in the section headed “ <i>Implementation Agreement</i> ”)
“Independent Board Committee”	the independent board committee of the Company comprising the following independent non-executive Directors: Mr. LI Hua, Mr. ZHU Jierong and Mr. CHENG Yiqun
“Independent Financial Adviser”	the independent financial adviser which will be appointed to advise the Independent Board Committee on the Proposal, the Scheme and the Rollover Arrangement
“Last Trading Date”	5 August 2021, being the last day on which Shares were traded on the Stock Exchange prior to the publication of this announcement
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Long Stop Date”	12 February 2022 (or any other date as may be agreed by the Offeror and the Company and as permitted by the Executive)

“Management HoldCo 1”	Jin Chen Global Investment Company Limited, a BVI business company incorporated in the British Virgin Islands and wholly owned by Employee Trustee as trustee of the Senior Management Trust
“Management HoldCo 2”	Jin Qing Global Investment Company Limited, a BVI business company incorporated in the British Virgin Islands, which is wholly owned by Employee Trustee as trustee of the Senior Management Trust
“Management HoldCos”	Management HoldCo 1 and Management HoldCo 2
“Meeting Record Date”	the date set for the purpose of voting at the Court Meeting
“Mr. Fang”	Mr. Fang Zhenchun, an existing Shareholder of the Company
“Mr. Zeng”	Mr. Zeng Yong, the vice chairman of the Board and an executive Director and the general manager of the Group
“Ms. Jiang”	Ms. Jiang Peizhen, the chairman of the Board and a non-executive Director of the Company and the sole director of Founder HoldCo
“Offeror”	Aureli Investments Ltd, an exempted company incorporated in the Cayman Islands which is directly wholly-owned by HoldCo and indirectly wholly-owned by Founder HoldCo and Affirma HoldCo
“Offeror Concert Parties”	parties acting in concert or presumed to be acting in concert with the Offeror, the Founder Group and/or Affirma HoldCo
“Offeror Group”	HoldCo, the Offeror and the Offeror’s subsidiaries (which will include the Group upon the Scheme becoming effective)
“Offeror Rollover Shares”	92,956,400 new Offeror Shares (in aggregate) to be allotted and issued by the Offeror to the Rollover Shareholders as the Rollover Cancellation Consideration for cancellation of the Rollover Scheme Shares pursuant to the Rollover Agreement
“Offeror Shares”	the ordinary shares in the capital of the Offeror
“Positive Profit Alert Announcement”	the announcement of the Company dated 10 August 2021 pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO



“PRC”	the People’s Republic of China, but for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Proposal”	the proposal for the take private of the Company by the Offeror by way of the Scheme, on the terms and subject to the conditions as described in this announcement
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Rollover Agreement”	the rollover agreement dated 12 August 2021 entered into between the Rollover Shareholders, the Employee Trustee, HoldCo and the Offeror in relation to the Rollover Arrangement (the key terms of which are further described in the section headed “ <i>Rollover Agreement and Rollover Arrangement</i> ”)
“Rollover Arrangement”	<p>(a) the cancellation of the Rollover Scheme Shares in consideration for the Rollover Cancellation Consideration; and</p> <p>(b) the entry by the Rollover Shareholders and the Employee Trustee into the Rollover Agreement</p>
“Rollover Cancellation Consideration”	the consideration to be received by the Rollover Shareholders for cancellation of their Rollover Scheme Shares under the Scheme, being the allotment and issue of the Offeror Rollover Shares to the Rollover Shareholders credited as fully paid in the amount equivalent to the aggregate amount of the Cancellation Price of HK\$2.80 per Scheme Share with respect to all the Rollover Scheme Shares pursuant to the terms of the Rollover Agreement
“Rollover Irrevocable Undertakings”	the irrevocable undertakings given by the Rollover Shareholders and the Employee Trustee in respect of the Rollover Scheme Shares as described in the section headed “ <i>Irrevocable Undertakings</i> ”
“Rollover Parties”	<p>(a) the Management HoldCos;</p> <p>(b) the Employee Trustee</p> <p>(c) the Senior Management Trust; and</p> <p>(d) Mr. Fang</p>

“Rollover Scheme Shares”	92,956,400 Scheme Shares (in aggregate) held by the Rollover Shareholders (representing approximately 12.57% of the issued share capital of the Company) which the Rollover Shareholders have agreed to rollover and will be cancelled in consideration for the Rollover Cancellation Consideration pursuant to the Rollover Agreement
“Rollover Shareholders”	the Management HoldCos and Mr. Fang
“SCB”	Standard Chartered Bank (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and licensed under the SFO to carry on Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities, and the financial adviser to the Offeror in connection with the Proposal
“SCB Group”	SCB and persons controlling, controlled by or under the same control as SCB
“Scheme”	the scheme of arrangement to be proposed under section 86 of the Companies Act for the implementation of the Proposal
“Scheme Document”	the composite scheme document (which shall contain, among other things, further details of the Proposal and the Scheme), the accompanying proxy forms and notices of the Court Meeting and the General Meeting, to be despatched by the Offeror and the Company to all Scheme Shareholders on the Despatch Date as required by the Takeovers Code
“Scheme Record Date”	the record date to be announced for determining entitlements of the Scheme Shareholders under the Scheme
“Scheme Shareholders”	the registered holders of the Scheme Shares as at the Scheme Record Date
“Scheme Shares”	the Shares in issue on the Scheme Record Date
“Senior Management Trust”	an irrevocable discretionary trust established by Mr. Zeng (as the settlor) for the benefit of certain senior management employed or formerly employed by the Group and their dependents, with Employee Trustee as the trustee and which holds the entire issued share capital of the Management HoldCos

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Option Scheme”	the share option scheme of the Company adopted by the Shareholders at the annual general meeting of the Company held on 8 June 2017
“Share(s)”	the ordinary share(s) of a nominal or par value of USD0.000025 each in the issued share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Shares
“Shareholders’ Agreement”	the shareholders’ agreement dated 12 August 2021 entered into between the Founder Shareholders, HoldCo and Affirma HoldCo (the key terms of which are further described in the section headed “ <i>Shareholders’ Agreement</i> ”)
“Singapore”	the Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Undisturbed Date”	4 August 2021, being the last trading day prior to which there were irregular trading volumes and price movements in the Shares
“US” or “United States”	United States of America
“USD”	United States dollars, the lawful currency of the United States

By order of the board of directors of  
**AURELI INVESTMENTS LTD**  
**Mr. Gilbert Zeng**  
*Director*

By order of the Board of  
**GOLDEN THROAT HOLDINGS GROUP**  
**COMPANY LIMITED**  
**Ms. Jiang Peizhen**  
*Chairman*

Hong Kong, 12 August 2021

*As at the date of this announcement, the directors of Offeror are Ivo Laurence Philipps, Gilbert Zeng and Taeyub Kim and the directors of HoldCo are Ivo Laurence Philipps, Gilbert Zeng and Taeyub Kim.*

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

*As at the date of this announcement, the Board consists of Ms. Jiang as non-executive Director, Mr. Zeng, Mr. HUANG Jianping, Mr. ZENG Kexiong, Mr. LU Xinghong and Mr. HE Jinqiang as executive Directors, and Mr. LI Hua, Mr. ZHU Jierong and Mr. CHENG Yiqun as independent non-executive Directors.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than any information relating to the Offeror Group, the Founder Group, the Affirma Group and the Rollover Parties) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the respective directors of the Offeror, HoldCo, Founder HoldCo, Affirma HoldCo, Augusta GP Pte. Ltd., Affirma Capital Managers Korea Limited, Management HoldCos and the Rollover Parties) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.*

*As at the date of this announcement, the sole director of Founder HoldCo is Ms. Jiang.*

*The sole director of Founder HoldCo accepts full responsibility for the accuracy of the information contained in this announcement in relation to the Founder Group and confirms, having made all reasonable enquiries, that to the best of her knowledge, opinions expressed in this announcement by her the director of Founder HoldCo have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.*

*As at the date of this announcement, the directors of Affirma HoldCo are Ivo Laurence Philipps and Nainesh Jaisingh.*

*As at the date of this announcement, the directors of Augusta GP Pte. Ltd. are Ivo Laurence Philipps and Nainesh Jaisingh.*

*As at the date of this announcement, the sole director of Affirma Capital Managers Korea Limited is Taeyub Kim.*

*The directors of Affirma HoldCo, Augusta GP Pte. Ltd., and Affirma Capital Managers Korea Limited jointly and severally accept full responsibility for the accuracy of the information contained in this announcement in relation to the Affirma Group and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement by the*

*respective directors of Affirma HoldCo, Augusta GP Pte. Ltd., and Affirma Capital Managers Korea Limited have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.*

*As at the date of this announcement, the sole director of each of Management HoldCos is Sovereign Directors Limited (as corporate director) and the sole director of the Employee Trustee is Sovereign Trust International Limited (as corporate director). The Employee Trustee is the trustee of the Senior Management Trust. The Founder Trustee and the Employee Trustee are professional corporate trustees accustomed to act in accordance with the wishes of Mr. Zeng (as the settlor of the Founder Trust and the Senior Management Trust) in relation to the conduct and affairs of the Founder Trust and the Senior Management Trust.*

*Mr. Fang accepts full responsibility for the accuracy of the information contained in this announcement in relation to himself and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this announcement by him have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.*

*Mr. Zeng (whose wishes the Founder Trustee and the Employee Trustee are accustomed to act) accepts full responsibility for the accuracy of the information contained in this announcement in relation to the Rollover Parties (other than Mr. Fang) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this announcement by the Rollover Parties (other than Mr. Fang) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.*