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New Modern Home Limited

新現代家居有限公司

(Incorporated in Hong Kong with limited liability)

Nature Home Holding Company Limited

大自然家居控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2083)

JOINT ANNOUNCEMENT

PROPOSAL FOR THE PRIVATISATION OF NATURE HOME HOLDING COMPANY LIMITED BY NEW MODERN HOME LIMITED BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 86 OF THE COMPANIES ACT

DESPATCH OF SCHEME DOCUMENT AND OPTION OFFER LETTER

INTRODUCTION

Reference is made to: (i) the joint announcement of New Modern Home Limited (the “**Offeror**”) and Nature Home Holding Company Limited (the “**Company**”) dated 27 July 2021 in relation to, among other things, the Proposal; (ii) the joint announcement dated 17 August 2021 issued by the Offeror and the Company in relation to the delay in despatch of the Scheme Document; and (iii) the scheme document dated 14 September 2021 jointly issued by the Offeror and the Company in relation to the Proposal and the Rollover Arrangement (the “**Scheme Document**”). Unless the context requires otherwise, capitalised terms used in this announcement have the same meanings as defined in the Scheme Document.

DESPATCH OF THE SCHEME DOCUMENT AND OPTION OFFER LETTER

The Scheme Document, together with the Notice of Court Meeting, the Notice of EGM and the Proxy Forms, will be despatched to the Shareholders on Tuesday, 14 September 2021.

The Option Offer Letter and the Form Acceptance will also be despatched to Optionholders on Tuesday, 14 September 2021.

The Scheme Document contains, among other things: (i) further details of the Proposal and the Rollover Arrangement; (ii) the expected timetable; (iii) the Board Letter; (iv) the IBC Letter; (v) the IFA Letter; (vi) the Explanatory Statement; (vii) financial information of the Group; (viii) the Property Valuation Report; (ix) general information regarding the Company and the Offeror; (x) the Notice of Court Meeting; (xi) the Notice of EGM; and (xii) the Proxy Forms.

RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The IBC (which comprises one of the non-executive Directors, namely, Mr. Teoh Chun Ming; and all of the independent non-executive Directors, namely, Professor Li Kwok Cheung, Arthur, Mr. Chan Siu Wing, Raymond and Mr. Ho King Fung, Eric) has been formed by the Board to give advice and recommendation to the Independent Shareholders on the Proposal and the Rollover Arrangement.

Opus Capital Limited has been appointed as the IFA to give advice and recommendation to the IBC on the Proposal and the Rollover Arrangement. The appointment of Opus Capital Limited as the IFA has been approved by the IBC.

The IFA has advised the IBC that it considers that the terms of the Proposal and the Rollover Arrangement are fair and reasonable (so far as the Independent Shareholders are concerned), and accordingly, it recommends the IBC to:

- (i) give advice and recommendation to the Independent Shareholders (who are also the Qualifying Shareholders) to (a) vote in favour of the resolution to approve the Scheme at the Court Meeting; and (b) vote in favour of the ordinary resolution to approve the Rollover Arrangement at the EGM; and
- (ii) give advice and recommendation to the Shareholders to vote, at the EGM, in favour of: (a) the special resolution to approve and give effect to the Reduction; and (b) the ordinary resolution to, simultaneously with the cancellation and extinguishment of the Scheme Shares, increase the issued share capital of the Company to the amount prior to the cancellation and extinguishment of the Scheme Shares by issuing the New Shares to the Offeror.

The IFA has also advised the IBC that it is of the view that the terms of the Option Offer in totality are fair and reasonable (so far as the Optionholders are concerned), and accordingly, it recommends the IBC to give advice and recommendation to the Optionholders to accept the Option Offer.

The IBC, having been so advised, considers that the terms of the Proposal and the Rollover Arrangement are fair and reasonable (so far as the Independent Shareholders are concerned) and the terms of the Option Offer are fair and reasonable (so far as the Optionholders are concerned), and accordingly, the IBC recommends that:

- (i) the Independent Shareholders (who are also the Qualifying Shareholders) to vote in favour of the resolution to approve the Scheme at the Court Meeting;
- (ii) the Independent Shareholders (who are also the Qualifying Shareholders) to vote in favour of the ordinary resolution to approve the Rollover Arrangement at the EGM;
- (iii) the Shareholders to vote, at the EGM, in favour of: (a) the special resolution to approve and give effect to the Reduction; and (b) the ordinary resolution to, simultaneously with the cancellation and extinguishment of the Scheme Shares, increase the issued share capital of the Company to the amount prior to the cancellation and extinguishment of the Scheme Shares by issuing the New Shares to the Offeror; and
- (iv) the Optionholders to accept the Option Offer.

Shareholders and Optionholders are urged to read and consider carefully the recommendations of the IBC and the advice of the IFA in relation to the Proposal and the Rollover Arrangement as set out in the IBC Letter and IFA Letter.

COURT MEETING AND EGM

On 7 September 2021, the Grand Court granted an order that the Company may, among other things, convene the Court Meeting for the purpose of the Independent Shareholders considering and, if thought fit, passing a resolution to approve the Scheme (with or without modification). Only the Independent Shareholders as at the Meeting Record Date (who are also the Qualifying Shareholders) will be entitled to attend and vote at the Court Meeting (either in person or by proxy).

The Court Meeting and the EGM are scheduled to be held at 11:00 a.m. and 12:00 noon (or immediately after the conclusion or adjournment of the Court Meeting) (Hong Kong time), respectively, on Wednesday, 6 October 2021 at the Thornton Room & Huthart Room I, 3/F, South Tower, The Salisbury — YMCA of Hong Kong, 41 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong. Dial-in details for the Court Meeting will be available to any Qualifying Shareholder who wishes to attend the meeting by telephone who contacts the company secretary of the Company by no later than 4:00 p.m. on Monday, 4 October 2021 (noting that no voting will be permitted by way of telephone dial-in).

Immediately following the conclusion of the Court Meeting, the EGM will be held for the purpose of considering and, if thought fit, passing, among other things: (i) a special resolution by the Shareholders to approve and give effect to the Reduction; (ii) an ordinary resolution by the Shareholders to immediately thereafter restore the issued share capital of the Company to the amount prior to the cancellation of the Scheme Shares by the issue of the same number of New Shares as the number of Scheme Shares cancelled (and the application of the credit amount arising in the books of the Company

as a result of the Reduction to be applied in paying up in full at par such number of New Shares as is equal to the number of Scheme Shares cancelled) to be issued to the Offeror simultaneously with the cancellation of the Scheme Shares; and (iii) an ordinary resolution by the Independent Shareholders to approve the Rollover Arrangement.

The Notice of Court Meeting and the Notice of EGM are set out in the Scheme Document and are available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.nature-home.com.hk>) (together with the relevant Proxy Forms).

An announcement will be made by the Company and the Offeror in relation to the results of the Court Meeting and the EGM no later than 7:00 p.m. on Wednesday, 6 October 2021. If all the resolutions are passed at the Court Meeting and the EGM, the Company and the Offeror will make further announcements of the results of the hearing of the petition seeking the sanction of the Scheme and confirmation of the Reduction from the Grand Court (and, if the Scheme is sanctioned by the Grand Court, the Scheme Record Date, the Effective Date and the date of withdrawal of the listing of the Shares from the Stock Exchange).

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlements of the Qualifying Shareholders to attend and vote at the Court Meeting and of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, 30 September 2021 to Wednesday, 6 October 2021 (both days inclusive) and during such period, no transfer of Shares will be effected. In order to qualify to attend and vote at the Court Meeting and/or the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Share Registrar at the Transfer Office (being Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong) before 4:30 p.m. on Wednesday, 29 September 2021. This book closure period is not for determining entitlements under the Scheme.

CONDITIONS OF THE PROPOSAL

Shareholders and potential investors should be aware that the Proposal will become effective and binding on the Company, the Offeror and all the Shareholders, subject to the fulfilment or waiver (as applicable) of the Conditions described in the paragraph headed “3. Conditions of the Proposal” in the Explanatory Statement. All of the Conditions will have to be fulfilled or waived (as applicable) on or before the Long Stop Date, failing which the Proposal will lapse. The Option Offer will be conditional upon the Scheme becoming effective. Assuming that the Conditions are fulfilled or waived (as applicable), it is expected that the Scheme will become effective on or about Friday, 15 October 2021 (Cayman Islands time).

The Company will make an application to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules, with effect from 4:00 p.m. on Tuesday, 19 October 2021.

EXPECTED TIMETABLE

Shareholders should note that the expected timetable set out below is indicative only and is subject to change. Further announcements will be made if there is any change to the expected timetable below.

Hong Kong time
(unless otherwise stated)

Date of despatch of the Scheme Document Tuesday, 14 September 2021

Date of despatch of the Option Offer Letter for the Option Offer..... Tuesday, 14 September 2021

Latest time for Optionholders to lodge notice of exercise of their Options in order: (i) to be entitled to attend and vote at the Court Meeting and the EGM; and (ii) to qualify for entitlements under the Scheme^(Note 1) 4:00 p.m. on Wednesday, 29 September 2021

Option Lapsing Time^(Note 2) 4:00 p.m. on Wednesday, 29 September 2021

Latest time for lodging transfers of Shares in order to qualify for entitlement to attend and vote at the Court Meeting and/or the EGM^(Note 3) 4:30 p.m. on Wednesday, 29 September 2021

Register closed for determination of entitlements of the Qualifying Shareholders to attend and vote at the Court Meeting and of Shareholders to attend and vote at the EGM^(Note 4) From Thursday, 30 September 2021 to Wednesday, 6 October 2021 (both days inclusive)

Latest time for lodging Proxy Forms with the Share Registrar in respect of the:
Court Meeting^(Note 5) 11:00 a.m. on Monday, 4 October 2021

EGM^(Note 5) 12:00 noon on Monday, 4 October 2021

Meeting Record Date Wednesday, 6 October 2021

Court Meeting^(Note 6) 11:00 a.m. on Wednesday, 6 October 2021

EGM^(Note 6) 12:00 noon on Wednesday, 6 October 2021
(or immediately after the conclusion or adjournment of the Court Meeting)

Latest time to accept the Option Offer and the closing date of the Option Offer ^(Note 7)	4:00 p.m. on Wednesday, 6 October 2021
Announcement of the results of the Court Meeting and the EGM published on the website of the Stock Exchange and the website of the Company.....	no later than 7:00 p.m. on Wednesday, 6 October 2021
Announcement of the results of the Option Offer published on the website of the Stock Exchange and the website of the Company	no later than 7:00 p.m. on Wednesday, 6 October 2021
Expected latest time for trading in the Shares on the Stock Exchange	4:10 p.m. on Thursday, 7 October 2021
Latest time for lodging transfers of Shares in order to qualify for entitlements under the Scheme	4:30 p.m. on Tuesday, 12 October 2021
Option Record Date	Tuesday, 12 October 2021
Grand Court Hearing	Tuesday, 12 October 2021 <i>(Cayman Islands time)</i>
Register closed for determining entitlements to qualify under the Scheme ^(Note 8)	From Wednesday, 13 October 2021 onwards
Announcement of: (1) the results of the Grand Court Hearing; (2) the expected Effective Date; (3) the expected date of withdrawal of listing of Shares on the Stock Exchange; and (4) the Option Offer becoming unconditional, published on the website of the Stock Exchange and the website of the Company	Wednesday, 13 October 2021
Scheme Record Date	Friday, 15 October 2021
Effective Date ^(Note 9)	Friday, 15 October 2021 <i>(Cayman Islands time)</i>

Announcement of the Effective Date and the withdrawal of the listing of the Shares published on the website of the Stock Exchange and the website of the Company by 8:30 a.m. on Monday, 18 October 2021

Withdrawal of the listing of the Shares on the Stock Exchange becomes effective^(Note 10) 4:00 p.m. on Tuesday, 19 October 2021

Latest time to despatch cheques for cash payment to the Scheme Shareholders under the Scheme^(Note 11) on or before Tuesday, 26 October 2021

Latest time to despatch cheques for cash payment to the Optionholders under the Option Offer^(Note 12) on or before Tuesday on 26 October 2021

Shareholders and Optionholders should note that the above timetable is subject to change. Further announcements will be made in the event that there is any change.

Notes:

- (1) A duly completed and executed notice of exercise of Options (in the form and manner prescribed under the Share Option Scheme) must be lodged by the relevant Optionholder with the Company at its principal office (being Suite 2601, 26/F, Tower 2, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong), for the attention of the company secretary of the Company and marked “Nature Home Holding Company Limited — Exercise of Options”, by no later than the time and date stated above.
- (2) In accordance with the terms of the Share Option Scheme, all Options not yet exercised by the Option Lapsing Time will lapse.
- (3) The latest time for transmission to custodians or clearing house of voting instructions for the Court Meeting will vary depending on how Shares are held. Qualifying Shareholders are advised to contact their broker, custodian, nominee or other relevant person who is (or has, in turn, deposited such Shares with) an Other CCASS Participant **as soon as possible** regarding voting instructions to be given to such persons if the Qualifying Shareholders wish to vote at the Court Meeting and/or at the EGM. Please also refer to section headed “Actions to be Taken by Shareholders” in the Scheme Document.
- (4) The Register will be closed during such period for the purpose of determining the entitlements of the Qualifying Shareholders to attend and vote at the Court Meeting and of the Shareholders to attend and vote at the EGM. This book closure period is not for determining entitlements under the Scheme.
- (5) The **pink** Proxy Form in respect of the Court Meeting and the **white** Proxy Form in respect of the EGM should be completed and signed in accordance with the instructions respectively printed on them and should be lodged with the Share Registrar at the Specified Address as soon as possible and in any event no later than the times and date stated above. In order to be valid, the **pink** Proxy Form for the Court Meeting and the **white** Proxy Form for the EGM must be lodged no later than the latest times and date stated above. Completion and return of the relevant Proxy Form for the Court Meeting or the EGM will not preclude a Qualifying Shareholder and a Shareholder, respectively, from

attending the relevant meeting and voting in person. In such event, the returned Proxy Form will be deemed to have been revoked. If the **pink** Proxy Form is not so lodged, it may also be handed to the chairman of the Court Meeting at the Court Meeting who will have absolute discretion as to whether or not to accept it.

- (6) The Court Meeting and the EGM will be held at Thornton Room & Huthart Room I, 3/F, South Tower, The Salisbury — YMCA of Hong Kong, 41 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong at the times and date specified above. Please see the Notice of Court Meeting and the Notice of EGM for details.

In the event that a tropical cyclone warning signal no. 8 or above is hoisted or a black rainstorm warning signal is in force at 8:00 a.m. on Wednesday, 6 October 2021, the Court Meeting and the EGM will be adjourned to Thursday, 7 October 2021 at 11:00 a.m. and 12:00 noon (or immediately after the Court Meeting has been concluded or adjourned) respectively, or at a time on an alternative day to be announced that falls within 14 days of the original date scheduled for the Court Meeting and the EGM.

The Company will post an announcement on the respective websites of the Stock Exchange and the Company (<http://www.nature-home.com.hk>) to notify the Qualifying Shareholders and Shareholders (as the case may be) of the date, time and venue of the rescheduled meetings. The Court Meeting and the EGM will be held as scheduled even when a tropical cyclone warning signal no. 3 or below is hoisted or an amber or red rainstorm warning signal is in force.

You should make your own decision as to whether you would attend the Court Meeting and the EGM under bad weather conditions bearing in mind your own situation and if you should choose to do so, you are advised to exercise care and caution.

- (7) The duly completed and executed Form of Acceptance must be lodged by the Optionholders with the Company at its principal office (being Suite 2601, 26/F, Tower 2, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong), for the attention of the company secretary of the Company and marked “Nature Home Holding Company Limited — Option Offer”, by no later than the time and date stated above (or such later date and time as may be notified to the Optionholders by or on behalf of the Offeror).
- (8) The Register will be closed as from such time and on such date for the purpose of determining Scheme Shareholders who are qualified for entitlements under the Scheme.
- (9) The Scheme will become effective upon all the Conditions having been fulfilled or waived (as applicable).
- (10) If the Proposal becomes unconditional and the Scheme becomes effective, it is expected that the listing of the Shares on the Stock Exchange will be withdrawn at the time and date stated above.
- (11) Cheques for payment of the Cancellation Price will be despatched by ordinary post at the risk of the recipients to their registered addresses shown in the Register at the Scheme Record Date within seven (7) Business Days from the Effective Date.
- (12) Cheques for payment of the Option Offer Price will be despatched by ordinary post at the risk of the recipients to the Optionholders at their respective last known addresses as notified by the Optionholders to the Company within seven (7) Business Days from the Effective Date.

All references to times and dates in this announcement are Hong Kong times and dates, unless otherwise stated.

WARNING

The Proposal is conditional upon the satisfaction or (where applicable) waiver of the Conditions. Accordingly, the Proposal may or may not be implemented, the Scheme may or may not become effective and the Option Offer may or may not become unconditional. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company.

Persons who are in doubt as to the action they should take should consult their licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

By order of the board of
New Modern Home Limited
新現代家居有限公司
Se Hok Pan
Director

By order of the board of
Nature Home Holding Company Limited
大自然家居控股有限公司
Lai Kwok Keung
Company Secretary

Hong Kong, 14 September 2021

As at the date of this announcement, the directors of the Offeror are Mr. SE Hok Pan, Ms. UN Son I, Ms. WU Xiuting, Mr. LIU Yanjia and Mr. ZENG Jian.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group), 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 Group) 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 of their statements in this announcement misleading.

As at the date of this announcement, the board of directors of the Company comprises Mr. SE Hok Pan, Ms. UN Son I and Mr. SHE Jian Bin as executive directors; Mr. TEOH Chun Ming and Mr. LIANG Zhihua as non-executive directors; Professor LI Kwok Cheung, Arthur, Mr. CHAN Siu Wing, Raymond and Mr. HO King Fung, Eric 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 that relating to the Offeror), 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 Offeror) 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 of their statements in this announcement misleading.