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**Glorious Way Investments Limited**

**榮偉投資有限公司**

*(Incorporated in the British Virgin Islands  
with limited liability)*

**Deyun Holding Ltd.**

**德運控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 1440)*

**JOINT ANNOUNCEMENT**

**(1) COMPLETION OF THE SALE AND PURCHASE AGREEMENT  
IN RELATION TO THE SALE AND PURCHASE OF THE SALE  
SHARES IN**

**DEYUN HOLDING LTD.;**

**(2) MANDATORY UNCONDITIONAL CASH OFFER BY  
DAKIN SECURITIES LIMITED**

**FOR AND ON BEHALF OF**

**GLORIOUS WAY INVESTMENTS LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES OF  
DEYUN HOLDING LTD.**

**(OTHER THAN THOSE ALREADY OWNED OR AGREED  
TO BE ACQUIRED BY GLORIOUS WAY INVESTMENTS LIMITED  
AND**

**PARTIES ACTING IN CONCERT WITH IT);  
AND**

**(3) RESUMPTION OF TRADING**

**Financial adviser to the Offeror**



**Dakin Capital Limited**

**Independent financial adviser to the  
Independent Board Committee and Independent Shareholders**



**Octal Capital Limited**

## **THE SALE AND PURCHASE AGREEMENT**

The Company was notified by the Vendor that on 17 June 2022, the Vendor, the Guarantor and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase the Sale Shares, being 724,500,000 Shares, representing approximately 57.50% of the total issued share capital of the Company as at the date of this joint announcement. The Consideration for the Sale Shares is HK\$175,000,000 (equivalent to HK\$0.242 per Sale Share). Completion took place immediately upon the signing of the Sale and Purchase Agreement on the Completion Date, being 17 June 2022.

Upon Completion, the Vendor continues to hold the Remaining Shares, being 126,000,000 Shares, representing 10.00% of the total issued share capital of the Company as at the date of this joint announcement.

### **The Irrevocable Undertaking**

On 17 June 2022, the Vendor has given the Irrevocable Undertaking in favour of the Offeror, pursuant to which the Vendor has irrevocably and unconditionally undertaken that the Vendor, (i) shall not accept the Offer in respect of the Remaining Shares and shall not sell the Remaining Shares to the Offeror or parties acting in concert with it; (ii) shall not, directly or indirectly, sell, transfer or dispose of, grant any option, charge or other encumbrances or rights over the Remaining Shares; and (iii) the Remaining Shares will remain registered in the Vendor's name, until the closing date of the Offer.

## **MANDATORY UNCONDITIONAL CASH OFFER**

Immediately prior to the Completion, the Offeror and parties acting in concert with it were interested in an aggregate of 160,405,000 Shares, representing approximately 12.73% of the total issued share capital of the Company as at the date of this joint announcement. Immediately following Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it are interested in an aggregate of 884,905,000 Shares, representing approximately 70.23% of the total issued share capital of the Company. Upon the Completion, the Offeror is therefore required under Rule 26.1 of the Takeovers Code to make an Offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

As at the date of this joint announcement, there are 1,260,000,000 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares. As at the date of this joint announcement, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue other than the Shares.

Dakin Securities Limited will, for and on behalf of the Offeror, make the Offer in compliance with the Takeovers Code on the following basis:

**For each Offer Share . . . . . HK\$0.79 in cash**

The Offer Price of HK\$0.79 per Offer Share represents the highest price per Share paid by the Offeror and parties acting in concert with it during the six-month period immediately preceding the commencement of the offer period.

The Offer will be extended to all Shareholders other than the Offeror and parties acting in concert with it in accordance with the Takeovers Code. The Vendor has irrevocably undertaken not to accept the Offer in respect of the Remaining Shares. The Offer Shares to be acquired under the Offer shall be fully paid and acquired free from all Encumbrances, and together with all rights and benefits attached thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of the Composite Document. The Company confirms that as at the date of this joint announcement, (i) it has not declared any dividend or distribution which remain unpaid; and (ii) it does not intend to declare any dividend or distribution prior to the close of the Offer.

The Offer will be unconditional in all respects when made.

**Value of the Offer**

Based on the Offer Price of HK\$0.79 per Offer Share and 1,260,000,000 Shares in issue as at the date of this joint announcement, the entire issued share capital of the Company is valued at HK\$995,400,000. Assuming there being no change in the issued share capital of the Company from the date of this joint announcement up to the close of the Offer and excluding the aggregate of 884,905,000 Shares held by the Offeror and parties acting in concert with it immediately after the Completion, 375,095,000 Shares will be subject to the Offer. Based on the Offer Price of HK\$0.79 per Offer Share, the value of the Offer will be HK\$296,325,050.

**Confirmation of sufficient financial resources**

The maximum amount of cash payable by the Offeror in respect of acceptances of the Offer is HK\$196,785,050, assuming full acceptance of the Offer (excluding the Remaining Shares held by the Vendor which are subject to the Irrevocable Undertaking) and there being no change in the issued share capital of the Company from the date of this joint announcement up to the close of the Offer. The Offeror intends to finance the consideration payable for the Offer by its internal resources.

Dakin Capital Limited, being the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the total consideration payable by the Offeror upon full acceptance of the Offer.

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

Pursuant to Rule 2.1 of the Takeovers Code, the Independent Board Committee comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely Mr. Sheng Zijiu, Mr. Chow Kit Ting, Mr. Yip Koon Shing and Mr. Wong Chun Sek Edmund, has been established to advise and recommend the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and whether the Offer is in the interests of the Independent Shareholders as a whole and as to the acceptance of the Offer.

Octal Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer and, in particular, as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code. The letter of advice from the Independent Financial Adviser as to whether the Offer is fair and reasonable, and as to the acceptance of the Offer, will be set out in the Composite Document.

## **DESPATCH OF THE COMPOSITE DOCUMENT**

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, (i) further details of the Offer (including the expected timetable and the terms of the Offer); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Offer; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Offer; and (iv) the forms of acceptance and transfer, should be despatched to the Shareholders within 21 days from the date of this joint announcement or such later date as the Executive may approve. Further announcement(s) will be made when the Composite Document is despatched.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 17 June 2022 pending the publication of this joint announcement. 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 28 June 2022.

## **WARNING**

**Shareholders and potential investors of the Company should note that the Independent Board Committee has yet to consider and evaluate the Offer. This joint announcement is made in compliance with the Takeovers Code for the purpose of, amongst other things, informing Shareholders of the fact that the Company has been informed that the Offer will be made. The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement. Shareholders are strongly recommended to read the Composite Document, including the recommendations of the Independent Board Committee in respect of the Offer and a letter of advice from the Independent Financial Adviser, before forming a view on the Offer.**

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. If Shareholders and potential investors of the Company are in any doubt about their position, they should consult their own professional advisers.**

## **THE SALE AND PURCHASE AGREEMENT**

The Company was notified by the Vendor that on 17 June 2022, the Vendor, the Guarantor and the Offeror entered into the Sale and Purchase Agreement with the principal terms set out below:

**Date:** 17 June 2022

**Parties:** Vendor: Deyong Investment Co., Ltd

Guarantor: Lin Minqiang, being the Guarantor for the Vendor

Purchaser: Glorious Way Investments Limited, being the Offeror

## **The Sale Shares**

The Sale Shares comprise of 724,500,000 Shares, representing approximately 57.50% of the total issued share capital of the Company as at the date of this joint announcement. Pursuant to the terms of the Sale and Purchase Agreement, the Sale Shares would be acquired by the Offeror free from all Encumbrances together with all rights now and hereafter attaching thereto including but not limited to all dividends paid, declared or made in respect thereof at any time on or after the Completion Date.

## **Consideration for the Sale Shares**

The Consideration is HK\$175,000,000, which is equivalent to HK\$0.242 per Sale Share and was agreed between the Offeror and the Vendor after arm's length negotiations, taking into account, amongst other things, (i) the historical operating and financial performance of the Group; (ii) the financial position of the Group; (iii) the prevailing market price of the Shares; and (iv) the current market conditions.

The Consideration was fully settled by the Offeror in Hong Kong dollars by cash on the Completion Date. The Consideration paid by the Offeror was financed by its own resources.

## **Completion of the Sale and Purchase Agreement**

Completion took place immediately upon the signing of the Sale and Purchase Agreement on the Completion Date, being 17 June 2022.

Immediately prior to Completion, the Vendor held 850,500,000 Shares, representing approximately 67.50% of the total issued share capital of the Company as at the date of this joint announcement. Immediately after Completion, the Vendor continues to hold the Remaining Shares, being 126,000,000 Shares, representing 10.00% of the total issued share capital of the Company as at the date of this joint announcement.

## **The Irrevocable Undertaking**

On 17 June 2022, the Vendor has given the Irrevocable Undertaking in favour of the Offeror, pursuant to which the Vendor has irrevocably and unconditionally undertaken that the Vendor (i) shall not accept the Offer in respect of the Remaining Shares and shall not sell the Remaining Shares to the Offeror or parties acting in concert with it; (ii) shall not, directly or indirectly, sell, transfer or dispose of, grant any option, charge or other encumbrances or rights over the Remaining Shares; and (iii) the Remaining Shares will remain registered in the Vendor's name, until the closing date of the Offer.

**MANDATORY UNCONDITIONAL CASH OFFER**

**The Offer**

Immediately prior to Completion, the Offeror and parties acting in concert with it were interested in an aggregate of 160,405,000 Shares, representing 12.73% of the total issued share capital of the Company as at the date of this joint announcement. Immediately following Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it are interested in an aggregate of 884,905,000 Shares, representing approximately 70.23% of the total issued share capital of the Company. Upon Completion, the Offeror is therefore required under Rule 26.1 of the Takeovers Code to make an Offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

As at the date of this joint announcement, there are 1,260,000,000 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares. As at the date of this joint announcement, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue other than the Shares.

Dakin Securities Limited will, for on behalf of the Offeror, make the Offer on the following basis:

**For each Offer Share . . . . . HK\$0.79 in cash**

The Offer Price of HK\$0.79 per Offer Share represents the highest price per Share paid by the Offeror and parties acting in concert with it during the six-month period immediately preceding the commencement of the offer period. The Offer will be extended to all Shareholders other than the Offeror and parties acting in concert with it in accordance with the Takeovers Code. The Vendor has irrevocably undertaken not to accept the Offer in respect of the Remaining Shares. The Offer Shares to be acquired under the Offer shall be fully paid and acquired free from all Encumbrances, and together with all rights and benefits attached thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of the Composite Document. The Company confirms that as at the date of this joint announcement, (i) it has not declared any dividend or distribution which remain unpaid; and (ii) it does not intend to declare any dividend or distribution prior to the close of the Offer.

The Offer will be unconditional in all respects when made.



## **Value of the Offer**

Based on the Offer Price of HK\$0.79 per Offer Share and 1,260,000,000 Shares in issue as at the date of this joint announcement, the entire issued share capital of the Company is valued at HK\$995,400,000. Assuming there being no change in the issued share capital of the Company from the date of this joint announcement up to the close of the Offer and excluding the aggregate of 884,905,000 Shares held by the Offeror and parties acting in concert with it immediately after the Completion, 375,095,000 Shares will be subject to the Offer. Based on the Offer Price of HK\$0.79 per Offer Share, the value of the Offer will be HK\$296,325,050.

## **Offer Price**

The Offer Price of HK\$0.79 per Offer Share represents:

- a premium of approximately 5.33% to the closing price of HK\$0.75 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 3.67% to the average closing price of approximately HK\$0.762 per Share as quoted on the Stock Exchange for the 5 consecutive trading days immediately prior to and including the Last Trading Day;
- a premium of approximately 3.95% to the average closing price of approximately HK\$0.76 per Share as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- a premium of approximately 6.04% to the average closing price of approximately HK\$0.745 per Share as quoted on the Stock Exchange for the 30 consecutive trading days prior to and including the Last Trading Day; and
- a premium of approximately 154.84% over the audited consolidated net asset value attributable to the Shareholders of approximately HK\$0.31 per Share as at 31 December 2021 (being the date to which the latest audited consolidated annual results of the Group were made up), calculated based on the Group's audited consolidated net assets attributable to the Shareholders of approximately RMB334,706,000 (equivalent to approximately HK\$391,606,000) as at 31 December 2021 and 1,260,000,000 Shares in issue as at the date of this joint announcement.

## **Highest and lowest closing Share prices**

During the six-month period immediately preceding the commencement of the offer period on 27 June 2022 and including the Last Trading Day: (i) the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.81 per Share on 11 May 2022; and (ii) the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.395 per Share on 15 March 2022.



### **Confirmation of sufficient financial resources**

The maximum amount of cash payable by the Offeror in respect of acceptances of the Offer is HK\$196,785,050, assuming full acceptance of the Offer (excluding the Remaining Shares held by the Vendor which are subject to the Irrevocable Undertaking) and there being no change in the issued share capital of the Company from the date of this joint announcement up to the close of the Offer. The Offeror intends to finance the consideration payable for the Offer by its internal resources.

Dakin Capital Limited, the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the total consideration payable by the Offeror upon full acceptance of the Offer.

### **Effect of accepting the Offer**

Acceptance of the Offer by any Independent Shareholders will be deemed to constitute a warranty by such person that all the Shares sold by such person under the Offer are free from all Encumbrances, and together with all rights and benefits attached thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of the Composite Document.

Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Since the listing of the Company and up to the date of this joint announcement, the Company has not declared any dividend or distribution which remain unpaid and the Company does not intend to declare any dividend or distribution prior to the close of the Offer.

### **Payment**

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event within seven (7) business days (as defined in the Takeovers Code) of the date of receipt of a duly completed acceptance of the Offer Shares. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offer complete and valid.

No fractions of a cent (HK\$) will be payable and the amount of the consideration payable to the Independent Shareholder who accepts the Offer will be rounded up to the nearest cent (HK\$).

### **Hong Kong stamp duty**

Sellers' Hong Kong ad valorem stamp duty on acceptances of the Offer at a rate of 0.13% of the consideration payable in respect of the relevant acceptances or, if higher, the market value of the Offer Shares subject to such acceptance, will be deducted from the amount payable to the Independent Shareholders who accept the Offer. The Offeror will arrange for payment of the sellers' ad valorem stamp duty on behalf of the Independent Shareholders who accept the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfers of the relevant Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

### **Overseas Shareholders**

The Offeror intends to make the Offer available to all Independent Shareholders, including the Overseas Shareholders.

However, the Offer is in respect of securities of a company incorporated in the Cayman Islands and are subject to the procedural and disclosure requirements of Hong Kong which may be different from other jurisdictions. The Overseas Shareholders who wish to participate in the Offer but with a registered address outside Hong Kong may be subject to, and may be limited by, the laws and regulations of their respective jurisdictions in connection with their participation in the Offer. The Overseas Shareholders and beneficial owners of the Shares who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe relevant applicable legal or regulatory requirements and, where necessary, seek legal advice in respect of the Offer. It is the responsibility of the Overseas Shareholders and overseas beneficial owners of the Shares who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due from such shareholders and beneficial owners in respect of such jurisdictions).

Any acceptance by any Overseas Shareholders and overseas beneficial owners of the Shares will be deemed to constitute a representation and warranty from such Overseas Shareholders or overseas beneficial owners of the Shares, as applicable, to the Offeror that the local laws and requirements have been complied with. Overseas Shareholders and overseas beneficial owners of the Shares should consult their own professional advisers if in doubt.

### **Taxation advice**

The Independent 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 Offer. None of the Offeror, parties acting in concert with the Offeror, the Company, the Vendor, the Guarantor, the Independent Financial Adviser, Dakin Securities Limited, Dakin Capital Limited and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

## DEALING AND INTERESTS IN SECURITIES OF THE COMPANY

None of the Offeror and parties acting in concert with it had dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities in the 6 months prior to and including the date of this joint announcement, save for the acquisition of the Sale Shares and the following transactions dealt on the Stock Exchange:

Transaction dealt by Mr. Cai Rongshou, being the elder brother of Mr. Tsoi:

<b>Dealing date</b>	<b>Nature of dealing</b>	<b>Number of Shares purchased/(sold)</b>	<b>Price per Share (HK\$)</b>
8/2/2022	Purchase	10,000	0.570
9/2/2022	Purchase	20,000	0.640
9/2/2022	Purchase	55,000	0.640
9/2/2022	Purchase	10,000	0.650
9/2/2022	Purchase	50,000	0.660
9/2/2022	Purchase	35,000	0.660
9/2/2022	Purchase	50,000	0.670
9/2/2022	Purchase	5,000	0.680
9/2/2022	Purchase	40,000	0.780
9/2/2022	Purchase	10,000	0.670
9/2/2022	Purchase	40,000	0.670
9/2/2022	Purchase	50,000	0.690
9/2/2022	Purchase	55,000	0.700
9/2/2022	Purchase	10,000	0.770
9/2/2022	Purchase	10,000	0.780
9/2/2022	Purchase	10,000	0.700
9/2/2022	Purchase	20,000	0.710
9/2/2022	Purchase	10,000	0.720
9/2/2022	Purchase	5,000	0.730
9/2/2022	Purchase	5,000	0.740
9/2/2022	Purchase	5,000	0.750
9/2/2022	Purchase	45,000	0.770
9/2/2022	Purchase	10,000	0.780
9/2/2022	Purchase	50,000	0.750
9/2/2022	Purchase	50,000	0.760
9/2/2022	Purchase	5,000	0.770
9/2/2022	Purchase	15,000	0.780
9/2/2022	Purchase	5,000	0.790
15/3/2022	Purchase	10,000	0.400
15/3/2022	Purchase	10,000	0.400
15/3/2022	Purchase	5,000	0.335

<b>Dealing date</b>	<b>Nature of dealing</b>	<b>Number of Shares purchased/(sold)</b>	<b>Price per Share (HK\$)</b>
15/3/2022	Purchase	100,000	0.395
15/3/2022	Purchase	25,000	0.375
15/3/2022	Purchase	15,000	0.375
15/3/2022	Purchase	5,000	0.320
15/3/2022	Purchase	60,000	0.320
15/3/2022	Purchase	35,000	0.320
15/3/2022	Purchase	35,000	0.385
15/3/2022	Purchase	100,000	0.400
15/3/2022	Purchase	100,000	0.325
15/3/2022	Purchase	20,000	0.340
15/3/2022	Purchase	80,000	0.340
15/3/2022	Purchase	45,000	0.400

Transaction dealt by Mr. Cai Rongcheng, being the younger brother of Mr. Tsoi:

<b>Dealing date</b>	<b>Nature of dealing</b>	<b>Number of Shares purchased/(sold)</b>	<b>Price per Share (HK\$)</b>
16/12/2021	Purchase	10,000	0.550
16/12/2021	Purchase	20,000	0.550
21/12/2021	Purchase	5,000	0.530
22/12/2021	Purchase	20,000	0.520
23/12/2021	Purchase	20,000	0.520
25/1/2022	Purchase	20,000	0.560
7/3/2022	Purchase	30,000	0.570
9/3/2022	Purchase	30,000	0.560
9/3/2022	Purchase	30,000	0.550
9/3/2022	Purchase	30,000	0.530
9/3/2022	Purchase	30,000	0.540
9/3/2022	Purchase	30,000	0.530
11/3/2022	Purchase	50,000	0.550
14/3/2022	Purchase	100,000	0.435
14/3/2022	Purchase	100,000	0.425
14/3/2022	Purchase	30,000	0.530
14/3/2022	Purchase	100,000	0.460
14/3/2022	Purchase	100,000	0.415
14/3/2022	Purchase	100,000	0.455
14/3/2022	Purchase	5,000	0.415
14/3/2022	Purchase	50,000	0.485
14/3/2022	Purchase	30,000	0.485

Transaction dealt by Ms. Tsoi Lam Ki, being the daughter of Mr. Tsoi:

<b>Dealing date</b>	<b>Nature of dealing</b>	<b>Number of Shares purchased/(sold)</b>	<b>Price per Share (HK\$)</b>
17/3/2022	Purchase	45,000	0.465

Transaction dealt by Ms. Tsoi Sui Ki, being the daughter of Mr. Tsoi:

<b>Dealing date</b>	<b>Nature of dealing</b>	<b>Number of Shares purchased/(sold)</b>	<b>Price per Share (HK\$)</b>
11/1/2022	Purchase	5,000	0.690
4/2/2022	Purchase	5,000	0.570
4/2/2022	Purchase	10,000	0.570
8/2/2022	Purchase	5,000	0.620
8/2/2022	Purchase	5,000	0.620
17/3/2022	Purchase	10,000	0.485
17/3/2022	Purchase	5,000	0.485
17/3/2022	Purchase	5,000	0.500
17/3/2022	Purchase	5,000	0.480

Transaction dealt by Mr. Tsoi Pok Yeung, being the son of Mr. Tsoi:

<b>Dealing date</b>	<b>Nature of dealing</b>	<b>Number of Shares purchased/(sold)</b>	<b>Price per Share (HK\$)</b>
16/3/2022	Purchase	10,000	0.450
16/3/2022	Purchase	5,000	0.450
17/3/2022	Purchase	5,000	0.465
8/4/2022	(Sold)	(90,000)	0.800
19/4/2022	Purchase	5,000	0.790
19/4/2022	Purchase	20,000	0.790

Save for (a) the aggregate of 884,905,000 Shares (including the Sale Shares) of which the Offeror and the parties acting in concert with it are interested in after the Completion, (b) the Sale and Purchase Agreement; and (c) the Irrevocable Undertaking, the Offeror confirms that, as at the date of this joint announcement:

- (i) none of the Offeror nor any person acting in concert with it owns or has control or direction over any voting rights or rights over the Shares or convertible securities, warrants, options of the Company or any derivatives in respect of such securities;
- (ii) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offer;
- (iii) there is no agreement or arrangement to which the Offeror or any person acting in concert with it, is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (iv) none of the Offeror and/or parties acting in concert with it has entered into any arrangement or contract in relation to any outstanding derivative in respect of securities in the Company nor has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (v) none of the Offeror nor any person acting in concert with it has received any irrevocable commitment to accept or reject the Offer or any irrevocable undertaking from any Shareholders not to sell or transfer (or cause the same to be done) or otherwise dispose of (or permit any such action to occur in respect of) any interest in any Shares held by he/she/it/them;
- (vi) other than the Consideration, there is no other consideration, compensation or benefits in whatever form paid or to be paid by the Offeror or any parties acting in concert with it to the Vendor or any party acting in concert with it in connection with the sale and purchase of the Sale Shares under the Sale and Purchase Agreement;

- (vii) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Vendor and any parties acting in concert with it on one hand, and the Offeror or any parties acting in concert with it on the other hand;
- (viii) there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeover Code) between (i) any Shareholder; and (ii)(a) the Offeror and any parties acting in concert with it or (ii)(b) the Company, its subsidiaries or associated companies;
- (ix) there is no agreement, arrangement or understanding that any securities acquired in pursuance of the Offer would be transferred, charged or pledged to any other person; and
- (x) there is no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror or any person acting in concert with it and any of the Directors, recent directors of the Company, the Shareholders or recent shareholders of the Company having any connection with or dependence upon the Offer.

#### **INFORMATION ON THE GROUP**

The Company was incorporated in the Cayman Islands with limited liability and its issued Shares have been listed on the Main Board since 13 January 2021. The Company is an investment holding company and the Group is principally engaged in (i) manufacturing and sales of lace; and (ii) provision of dyeing services.

#### **SHAREHOLDING STRUCTURE OF THE COMPANY**

As at the date of this joint announcement, the authorised share capital of the Company is HK\$100,000,000 divided into 10,000,000,000 ordinary shares with par value of HK\$0.01 each, and there are 1,260,000,000 Shares in issue. The Company does not have any outstanding options, warrants or derivatives or convertible rights affecting the Shares as at the date of this joint announcement.



The shareholding structure of the Company (i) immediately before Completion; and (ii) immediately after Completion and as at the date of this joint announcement are as follows:

	Immediately before Completion		Immediately after Completion and as at the date of this joint announcement	
	Number of Shares	Approximate %	Number of Shares	Approximate %
<b>The Offeror and parties acting in concert with it</b>				
The Offeror ( <i>Notes 1 and 2</i> )	94,500,000	7.50	819,000,000	65.00
Mr. Tsoi ( <i>Notes 1 and 2</i> )	25,000,000	1.98	25,000,000	1.98
Close relatives of Mr. Tsoi ( <i>Notes 1 and 3</i> )	40,905,000	3.25	40,905,000	3.25
<b>sub-total</b>	<u>160,405,000</u>	<u>12.73</u>	<u>884,905,000</u>	<u>70.23</u>
The Vendor ( <i>Note 4</i> )	850,500,000	67.50	126,000,000	10.00
Independent Shareholders	249,095,000	19.77	249,095,000	19.77
<b>Total</b>	<u><u>1,260,000,000</u></u>	<u><u>100.00</u></u>	<u><u>1,260,000,000</u></u>	<u><u>100.00</u></u>

*Notes:*

- The entire issued share capital of the Offeror is owned by Mr. Tsoi, who is also the sole director of the Offeror. Pursuant to class (2) of the definition of the “acting in concert” under the Takeovers Code, a company with any directors (together with their close relatives, related trusts and companies controlled by such directors, close relatives and related trusts) of the company or of its parent are presumed to be acting in concert with others in the same class unless the contrary is established. Given Mr. Tsoi is the sole director of the Offeror, thus Mr. Tsoi together with his close relatives are presumed to be parties acting in concert with the Offeror under this class.
- Immediately before Completion, Mr. Tsoi (i) directly and beneficially holds 1.98% of the shares of the Company; and (ii) beneficially owns 100% of the issued shares of the Offeror, which in turn holds 7.50% of the shares of the Company. Mr. Tsoi is the sole director of the Offeror.

3. The close relatives of Mr. Tsoi are interested in 40,905,000 Shares in aggregate as at the date of this joint announcement, in which (i) Ms. Tsoi Wing Yuet Willy (蔡榮月), being the younger sister of Mr. Tsoi, hold 15,230,000 Shares; (ii) Mr. Cai Rongshou (蔡榮壽), being the elder brother of Mr. Tsoi, hold 2,230,000 Shares; (iii) Ms. Lin Shaoling (林少玲), being the sister-in law of Mr. Tsoi, hold 9,800,000 Shares; (iv) Mr. Tsoi Wing Ying (蔡榮映), being the younger brother of Mr. Tsoi, hold 2,095,000 Shares; (v) Ms. Yeung Po Yuk (楊寶玉), being the sister-in law of Mr. Tsoi, hold 7,230,000 Shares; (vi) Mr. Cai Rongcheng (蔡榮澄), being the younger brother of Mr. Tsoi, hold 2,085,000 Shares; (vii) Ms. Zheng Zhexin (鄭哲欣), being the sister-in law of Mr. Tsoi, hold 1,900,000 Shares; (viii) Ms. Tsoi Lam Ki (蔡琳琪), being the daughter of Mr. Tsoi, hold 210,000 Shares; and (ix) Ms. Tsoi Sui Ki (蔡瑞琪), being the daughter of Mr. Tsoi, hold 90,000 Shares; and (x) Mr. Tsoi Pok Yeung (蔡博揚), being the son of Mr. Tsoi, hold 35,000 Shares in the Company.
4. The Vendor is owned as to 60% by Mr. Lin Minqiang, 11.6% by Mr. Lin Bingzhong, 10.54% by Mr. Lin Chaoji, 9.22% by Mr. Lin Chaowei and 8.64% by Mr. Lin Chaowen. Mr. Lin Minqiang is the chairman of the Board and executive Director of the Company. Mr. Lin Bingzhong, Mr. Lin Chaowei and Mr. Lin Chaowen are the executive Directors of the Company.

## FINANCIAL INFORMATION ON THE GROUP

Set out below is a summary of the audited consolidated financial information of the Group for the two financial years ended 31 December 2021, as extracted from the audited financial statements prepared in accordance with Hong Kong Financial Reporting Standards disclosed in the Company's annual report for the years ended 31 December 2020 and 31 December 2021:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2020</b>	<b>2021</b>
	<i>RMB'000</i>	<i>RMB'000</i>
	(audited)	(audited)
Revenue	198,478	165,942
Profit before tax	52,593	24,080
Profit for the year	43,821	21,182
	<b>As at 31 December</b>	
	<b>2020</b>	<b>2021</b>
Equity attributable to owners of the Company	222,951	334,706

## **INFORMATION OF THE OFFEROR**

The Offeror is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding. As at the date of this joint announcement, Mr. Tsoi is the sole director and owner of the entire issued share capital of the Offeror.

Mr. Tsoi, aged 60, is the director of Calson Investment Limited, a footwear distribution enterprise supplying leather, PVC, textile shoes, sandals, etc. to customers worldwide. Mr. Tsoi is also the executive director of Changzhou Qifa Shoes Co., Ltd.\* (常州啟發鞋業有限公司), a company engaged in manufacturing and distribution of shoes and Changzhou Qichen Investment Co., Ltd.\* (常州啟辰投資有限公司), a company engaged in real estate sales and property management, and a supervisor of Putian Qiming Shoes Co., Ltd.\* (莆田啟明鞋業有限公司), a company engaged in manufacturing and distribution of shoes.

Mr. Tsoi is also a Standing Committee of the Hunan Provincial Committee of the Chinese People's Political Consultative Conference ("CPPCC") Hong Kong Convener, Vice-Chairman of the Hong Kong Provincial CPPCC Member Association, School Supervisor of TWGHs Tsoi Wing Sing Primary School\* (東華三院蔡榮星小學校監), Deputy Chairman of Hong Kong Volunteers Federation\* (香港義工聯盟常務副主席) and Expert of Silk Road Planning Research Center\* (絲路規劃研究中心專家). Mr. Tsoi was also a Standing Committee Member of the 5th Fujian Putian Committee of the CPPCC, the chairman of Tung Wah Group of Hospitals from 2019 to 2020, and the vice chairman of Tung Wah Group of Hospitals from 2015 to 2019. Mr. Tsoi was also awarded the Bronze Bauhinia Star in recognition of his significant contributions and outstanding service over a long period of time in Hong Kong.

## **INTENTIONS OF THE OFFEROR REGARDING THE GROUP**

The Offeror intends to continue the existing principal business of the Group substantially in the current state following Completion and the close of the Offer, and will maintain the listing status of the Company. The Offeror has no intention to introduce major changes in the business of the Group or to dispose of or re-deploy the fixed assets of the Group other than in the ordinary course of business. Other than a proposed change to the members of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code or such later time as the Offeror considers to be appropriate, the Offeror intends to continue the employment of the existing management and employees of the Group. The Offeror also intends to review the business activities, operations and financial position of the Group to formulate business plans and strategies for the future business development of the Group. Depending on the results of the review, the Offeror may explore other related businesses opportunities for the Group and/or seek to expand the geographical coverage of the existing principal business of the Group. As at the date of this joint announcement, no investment or business opportunity has been identified, nor has the Offeror entered into any agreement, arrangement, understandings or negotiation in relation to the injection of any assets or business into the Group.

The Board currently comprises 10 Directors, in particular six executive Directors and four independent non-executive Directors. As at the date of this joint announcement, the Offeror has not reached any final decision as to the identities of the new Director(s) which will be nominated and the existing Director(s) which will resign. Any changes to the members of the Board will be made in compliance with the Takeovers Code and/or the Listing Rules and further announcement(s) will be made as and when appropriate.

## **PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY**

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the total number of issued Shares, are held by the public at all times, or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or
- there are insufficient Shares in public hands to maintain an orderly market,

then the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares.

Therefore, it should be noted that upon close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.

The Offeror intends that the Company will remain listed on the Stock Exchange after the close of the Offer. The Offeror does not intend to avail itself of any powers of compulsory acquisition of any outstanding Offer Shares after the close of the Offer. The sole director of the Offeror and the new directors to be appointed to the Board of the Company will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float (i.e. not less than 25% of the entire issued share capital of the Company) exists in the Shares at all times.

Immediately after the Completion and as at the date of this joint announcement, the Offeror, Mr. Tsoi and the Vendor held a total of 970,000,000 Shares, representing approximately 76.98% of the total issued share capital of the Company as at the date of this joint announcement. Accordingly, as at the date of this joint announcement, the Company cannot fulfill the minimum public float requirement set out under Rule 8.08(1) (a) of the Listing Rules. As such, the Company has made an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for a period of two months after the close of the Offer. The Offeror will take appropriate steps to restore the required minimum public float after the close of the Offer as early as practicable. Further announcement(s) will be made by the Company regarding the restoration of public float as and when appropriate.

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

Pursuant to Rule 2.1 of the Takeovers Code, the Independent Board Committee comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely Mr. Sheng Ziju, Mr. Chow Kit Ting, Mr. Yip Koon Shing and Mr. Wong Chun Sek Edmund, has been established to advise and recommend the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and whether the Offer is in the interests of the Independent Shareholders as a whole and as to the acceptance of the Offer.

Octal Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer and, in particular, as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code. The letter of advice from the Independent Financial Adviser as to whether the Offer is fair and reasonable, and as to the acceptance of the Offer, will be set out in the Composite Document.

## **DESPATCH OF THE COMPOSITE DOCUMENT**

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular in the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, (i) further details of the Offer (including the expected timetable and the terms of the Offer); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Offer; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Offer; and (iv) the forms of acceptance and transfer, should be despatched to the Shareholders within 21 days from the date of this joint announcement or such later date as the Executive may approve. Further announcement(s) will be made when the Composite Document is despatched.

## **DISCLOSURE OF DEALINGS IN SHARES**

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company and the Offeror (including but not limited to a person who owns or controls 5% or more of any class of relevant securities (as defined in paragraphs (a) to (d) in Note 4 to Rule 22 of the Takeovers Code) of the Company or the Offeror) are hereby reminded to disclose their dealings in any relevant securities of the Company pursuant to the requirements of the Takeovers Code.

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

***“Responsibilities of stockbrokers, banks and other intermediaries***

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 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.”*

**RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 17 June 2022 pending the publication of this joint announcement. 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 28 June 2022.

**WARNING**

**Shareholders and potential investors of the Company should note that the Independent Board Committee has yet to consider and evaluate the Offer. This joint announcement is made in compliance with the Takeovers Code for the purpose of, amongst other things, informing Shareholders of the fact that the Company has been informed that the Offer will be made. The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement. Shareholders are strongly recommended to read the Composite Document, including the recommendations of the Independent Board Committee in respect of the Offer and a letter of advice from the Independent Financial Adviser, before forming a view on the Offer.**

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. If Shareholders and potential investors of the Company are in any doubt about their position, they should consult their own professional advisers.**

## DEFINITIONS

In this joint announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Acquisition”	the purchase of the Sale Shares by the Offeror from the Vendor in accordance with the terms and conditions of the Sale and Purchase Agreement
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Company”	Deyun Holding Ltd. (德運控股有限公司*), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board (Stock code: 1440)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement
“Completion Date”	the date of Completion, being 17 June 2022
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company to the Shareholders in connection with the Offer in compliance with the Takeovers Code containing, among other things, details of the Offer (accompanied by the forms of acceptance and transfer) and the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of HK\$175,000,000 paid by the Offeror to the Vendor for the Acquisition
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules



“Dakin Capital Limited”	Dakin Capital Limited, a corporation licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Offeror in respect of the Offer
“Dakin Securities Limited”	Dakin Securities Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO
“Director(s)”	the director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC from time to time and any delegate of such Executive Director
“Group”	the Company, together with its subsidiaries
“Guarantor”	Lin Minqiang, the executive Director and the Chairman of the Board and the controlling shareholder of the Vendor
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors, namely Mr. Sheng Zijiu, Mr. Chow Kit Ting, Mr. Yip Koon Shing and Mr. Wong Chun Sek Edmund, established for the purpose of advising the Independent Shareholders in respect of the Offer and in particular as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer
“Independent Financial Adviser”	Octal Capital Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed for the purpose of advising the Independent Board Committee and the Independent Shareholders in respect of the Offer

“Independent Shareholder(s)”	the Shareholder(s), other than the Vendor, the Offeror and parties acting in concert with any of them
“Irrevocable Undertaking”	the irrevocable undertaking given by the Vendor in favour of the Offeror, pursuant to which the Vendor has irrevocably and unconditionally undertaken that the Vendor (i) shall not accept the Offer in respect of the Remaining Shares and shall not sell the Remaining Shares to the Offeror or parties acting in concert with it; (ii) shall not, directly or indirectly, sell, transfer or dispose of, grant any option, charge or other encumbrances or rights over the Remaining Shares; and (iii) the Remaining Shares will remain registered in the Vendor’s name, until the closing date of the Offer
“Last Trading Day”	16 June 2022, being the last trading day of the Shares immediately prior to the halt in trading of the Shares on the Stock Exchange at 9:00 a.m. on 17 June 2022 pending the release of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Main Board”	the main board maintained and operated by the Stock Exchange
“Mr. Tsoi”	Mr. Tsoi Wing Sing (蔡榮星), being the sole and ultimate beneficial owner of the Offeror
“Offer”	the mandatory unconditional cash offer to be made by Dakin Securities Limited, on behalf of the Offeror, to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) subject to the terms summarised in this joint announcement and in accordance with the Takeovers Code
“Offer Price”	the price per Offer Share at which the Offer will be made in cash, being HK\$0.79 per Offer Share

“Offer Share(s)”	all the Share(s) in issue, other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it
“Offeror”	Glorious Way Investments Limited 榮偉投資有限公司, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is beneficially owned by Mr. Tsoi
“Overseas Shareholders”	the Independent Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong
“PRC”	the People’s Republic of China, which shall for the purpose of this joint announcement, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Remaining Shares”	126,000,000 Shares, representing 10.00% of the total issued share capital of the Company as at the date of this joint announcement, which would be continued to be held and owned by the Vendor immediately following the Completion
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the sale and purchase agreement dated 17 June 2022 entered into between the Vendor, the Guarantor and the Offeror in relation to the sale and purchase of the Sale Shares
“Sale Shares”	724,500,000 Shares, representing approximately 57.50% of the total issued share capital of the Company as at the date of this joint announcement, acquired by the Offeror from the Vendor subject to the terms of the Sale and Purchase Agreement, and each a “Sale Share”
“SFC”	the Securities and Futures Commission of Hong Kong

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Vendor”	Deyong Investment Co., Ltd, a company incorporated in the British Virgin Islands with limited liability, being the vendor under the Sale and Purchase Agreement and which is owned as to 60% by Mr. Lin Minqiang, 11.6% by Mr. Lin Bingzhong, 10.54% by Mr. Lin Chaoji, 9.22% by Mr. Lin Chaowei and 8.64% by Mr. Lin Chaowen
“%”	per cent.

By order of the board of director of  
**Glorious Way Investments Limited**  
**Tsoi Wing Sing**  
*Director*

By order of the Board of  
**Deyun Holding Ltd.**  
**Lin Minqiang**  
*Chairman*

Hong Kong, 27 June 2022

\* *For identification purpose only*

*Unless stated otherwise, in this joint announcement, amounts denominated in RMB have been translated into HK\$ at the exchange rate of RMB1.00 to HK\$1.17. No representation is made that the HK\$ amounts could have been or could be converted into RMB at such rate or any other rate or at all. Certain amounts and percentage figures in this joint announcement have been subject to rounding adjustments.*

*As of the date of this joint announcement, the Board comprises of Mr. Lin Minqiang, Mr. Lin Chaowei, Mr. Lin Chaowen, Mr. Lin Bingzhong, Mr. Wei Cunzhuo and Ms. Lin Lili as executive Directors, and Mr. Sheng Zijiu, Mr. Chow Kit Ting, Mr. Yip Koon Shing, and Mr. Wong Chun Sek Edmund as independent non-executive Directors.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Offeror and parties acting in concert with it) contained in this joint announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed (other than those expressed by the sole director of the Offeror) in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the sole director of the Offeror is Mr. Tsoi Wing Sing.*

*The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Vendor, the Group or their respective director(s)), and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed (other than those expressed by the Directors of the Company) in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*