

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



LIPPO LIMITED

力寶有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 226)

ANNOUNCEMENT

DISCLOSEABLE TRANSACTION REDEMPTION OF INTERESTS IN A FUND

THE REDEMPTIONS

The Board wishes to announce that on 13 October 2023, CEI served a Redemption Notice to redeem 142,599 units of Class A Shares in the Fund for an estimated amount of redemption proceeds of approximately US\$244,000 (equivalent to approximately HK\$1,905,000) based on the unaudited net asset value of the Fund as at 30 September 2023 (being the latest information available to CEI).

Prior to the Further Redemption, the Group has made Previous Redemptions in the Fund for an aggregate amount of proceeds of approximately US\$4,476,000 (equivalent to approximately HK\$35,012,000).

LISTING RULES IMPLICATION

Each of the applicable percentage ratios (as defined under rule 14.07 of the Listing Rules) in respect of the transactions under the Previous Redemptions and the Further Redemption respectively, on a standalone basis, did not exceed 5%.

However, one or more of the applicable percentage ratios (as defined under rule 14.07 of the Listing Rules) in respect of the Further Redemption and the Previous Redemptions, when aggregated as a whole, exceed 5% but are less than 25%. As such, the Further Redemption and the Previous Redemptions, when aggregated as a whole, constitute a discloseable transaction for the Company under the Listing Rules and are therefore subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

THE REDEMPTIONS

The Further Redemption

The Board wishes to announce that on 13 October 2023, CEI served a Redemption Notice to redeem 142.599 units of Class A Shares in the Fund.

The Redemption Day of the Further Redemption is expected to be 30 November 2023 and pursuant to the Offering Memorandum, the redemption price for the Further Redemption shall be based on the net asset value of the relevant Class A Shares calculated at the Valuation Point on a valuation day and/or at such other time or times as the directors of the Fund in their discretion may determine, as such the redemption price for the Further Redemption will be determined by the net asset value of the relevant Class A Shares as of the Valuation Day. The proceeds of the Further Redemption will be settled in cash by the Fund.

Based on the unaudited net asset value of the Fund as at 30 September 2023 (being the latest information available to CEI), the total value of the Fund under the Further Redemption amounted to approximately US\$244,000 (equivalent to approximately HK\$1,905,000). Accordingly, the estimated amount of redemption proceeds under the Further Redemption will be approximately US\$244,000 (equivalent to approximately HK\$1,905,000). However, the final amount of the redemption proceeds will be based on the net asset value of the relevant Class A Shares as of 30 November 2023.

After completion of the Previous Redemptions and the Further Redemption, the Group will hold Class A Shares with an estimated value of approximately US\$4,627,000 (equivalent to approximately HK\$36,192,000), calculated based on the unaudited net asset value of the Fund as at 30 September 2023.

The Previous Redemptions

During the year ended 31 December 2022, the Group has redeemed FT Shares and Class B Shares in the Fund with an aggregate value of approximately US\$2,370,000 (equivalent to approximately HK\$18,536,000). During the nine months ended 30 September 2023, the Group had further redeemed Class A Shares and Class B Shares with an aggregate value of approximately US\$2,106,000 (equivalent to approximately HK\$16,476,000). The aggregate amount of redemption proceeds of the Previous Redemptions amounted to approximately US\$4,476,000 (equivalent to approximately HK\$35,012,000), calculated based on the net asset value of the Fund as at the respective Valuation Day of the Previous Redemptions.

REASONS FOR AND BENEFITS OF THE REDEMPTIONS

Since 2018, the Group had made investments in the Fund for strategic purpose. The Redemptions, which are in line with the objective of the Group to manage its investment portfolio by adopting a proactive but prudent approach in investments, will provide the Group with a good opportunity to realise the cumulated fair value gain accumulated on its investment in the Fund and to re-allocate the proceeds for general working capital.

Having considered the factors above, the Board considers that the Redemptions were fair and reasonable and in the best interest of the Company and its shareholders as a whole.

FINANCIAL IMPACT OF THE REDEMPTIONS AND USE OF PROCEEDS

Upon the completion of the 2023 Previous Redemptions and the Further Redemption during the year ending 31 December 2023, the Group is expected to recognise a fair value gain attributable to the Group of approximately HK\$879,000 (before taxation and without deduction of expenses related to the 2023 Previous Redemptions and the Further Redemption) for the year ending 31 December 2023, which is calculated based on the difference between the aggregate amount of (a) the redemption proceeds of the 2023 Previous Redemptions and (b) the estimated redemption proceeds of the Further Redemption (which is calculated based on the latest unaudited net asset value of the Fund under the Further Redemption as at 30 September 2023) and the carrying value of the relevant units of the Fund as at 31 December 2022. Together with the accumulated unrealised fair value gain recognised since the investment of such units subject to the Redemptions, the Group is expected to recognise a total fair value gain attributable to the Group of HK\$7,475,000 (before taxation and without deduction of expenses related to the Redemptions) upon the completion of the Redemptions, which is calculated based on the difference between the total estimated redemption proceeds of the Redemptions and the investment cost of the Fund under the Redemptions.

The actual amount of gain as a result of the Redemptions to be recorded by the Group will be varied with reference to the actual net asset value of the Fund under the Redemptions as at the respective Valuation Days and subject to the review and final audit by the auditor of the Group.

The Group had used the proceeds of the Previous Redemptions for general working capital and intends to use the proceeds of the Further Redemption for general working capital.

INFORMATION ON THE FUND AND THE MANAGER

The Fund is an exempted company with limited liability incorporated in the Cayman Islands. The Fund's objective is to achieve absolute long-term capital growth by investing in multiple asset classes across the globe.

The Fund is managed by the Manager, namely Quantedge Capital Pte. Ltd., a company incorporated in Singapore holding a Capital Markets Services Licence and is regulated by MAS.

To the best of the knowledge, information and belief of the Board, having made all reasonable enquiries, the Fund, the Manager and their ultimate beneficial owners are Independent Third Parties.

Up to the date of the submission of each of the Redemption Notices, no dividend in respect of the Class A Shares, the Class B Shares and the FT Shares has been received by the Group.

Based on the audited consolidated financial statements of the Group for the year ended 31 December 2022, the carrying value of the Class A Shares and Class B Shares subject to the 2023 Previous Redemptions and the Further Redemption as at 31 December 2022 was approximately HK\$17,455,000.

The following financial information is extracted from the audited financial statements of the Fund for the year ended 31 December 2022, prepared in accordance with the International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board.

	For the year ended 31 December 2021	For the year ended 31 December 2022
	<i>US\$'000</i>	<i>US\$'000</i>
Profit/(Loss) before taxation	495,768	(691,176)
Profit/(Loss) after taxation	495,768	(691,176)

INFORMATION ON THE COMPANY

The principal business activity of the Company is investment holding. The principal business activities of the subsidiaries, associates, joint ventures and joint operation of the Company include investment holding, property investment, property development, food businesses, healthcare services, hotel operation, property management, project management, mineral exploration and extraction, securities investment and treasury investment.

LISTING RULES IMPLICATION

Each of the applicable percentage ratios (as defined under rule 14.07 of the Listing Rules) in respect of the transactions under the Previous Redemptions and the Further Redemption respectively, on a standalone basis, did not exceed 5%.

However, one or more of the applicable percentage ratios (as defined under rule 14.07 of the Listing Rules) in respect of the Further Redemption and the Previous Redemptions, when aggregated as a whole, exceed 5% but are less than 25%. As such, the Further Redemption and the Previous Redemptions, when aggregated as a whole, constitute a discloseable transaction for the Company under the Listing Rules and are therefore subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“2022 Previous Redemptions”	the redemption of such FT Shares and Class B Shares with an aggregate value of approximately US\$2,370,000 (equivalent to approximately HK\$18,536,000) on 31 August 2022 and 28 November 2022 (as the case may be) by Milford Sound;
“2023 Previous Redemptions”	the redemption of such Class B Shares and Class A Shares with an aggregate value of approximately US\$2,106,000 (equivalent to approximately HK\$16,476,000) on 30 April 2023, 31 May 2023 and 31 August 2023 (as the case may be) by CEI;
“Board”	the board of directors of the Company;
“CEI”	Continental Equity Inc., a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of LCR;
“Class A Shares”	the class A participating shares in the capital of the Fund;
“Class B Shares”	the class B participating shares in the capital of the Fund;
“Company”	Lippo Limited 力寶有限公司, a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange;
“Fund”	Quantedge Global Fund (Offshore), an exempted company with limited liability incorporated in the Cayman Islands;
“Further Redemption”	the redemption of 142.599 units of Class A Shares, notice of which was served on the date of this announcement;
“FT Shares”	the participating shares of a fixed investment term in the capital of the Fund;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Party(ies)”	person(s) or company(ies) who/which is/are not connected with (within the meaning of the Listing Rules) and is/are independent of the directors, chief executives and substantial shareholders of the Company or any of their respective associates;
“LCR”	Lippo China Resources Limited 力寶華潤有限公司, a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange and an approximate 74.99% indirect subsidiary of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Manager”	Quantedge Capital Pte. Ltd., a company incorporated in Singapore holding a Capital Markets Services Licence and is regulated by MAS;
“MAS”	the Monetary Authority of Singapore;
“Milford Sound”	Milford Sound Pte. Ltd., a company incorporated in Singapore with limited liability and an indirect, non-wholly owned subsidiary of LCR;
“Offering Memorandum”	the private placement memorandum (as amended or supplemented from time to time) dated 1 January 2023 issued by the Fund;
“Previous Redemptions”	together, the 2022 Previous Redemptions and the 2023 Previous Redemptions;
“Redemptions”	together, the Previous Redemptions and the Further Redemption;
“Redemption Day”	the last day of each calendar month, or such other day or days as the directors of the Fund may designate from time to time;
“Redemption Notice”	a written notice requesting the redemption of participating shares in the Fund pursuant to the Offering Memorandum;
“Singapore”	the Republic of Singapore;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“US\$”	United States dollar(s), the lawful currency of the United States of America;
“Valuation Day”	a Redemption Day, the last day of a financial year of the Fund (representing a period of 12 months from 1 January to 31 December) or such other day or days as the directors of the Fund may determine, and for the purpose of the Further Redemption, means 30 November 2023;
“Valuation Point”	5:00 p.m. (US Eastern Time) on each valuation day (as defined in Offering Memorandum) or such other time on such other day or days as the directors of the Fund may from time to time determine; and
“%”	per cent.

By Order of the Board
LIPPO LIMITED
John Luen Wai Lee
Managing Director and Chief Executive Officer

Hong Kong, 13 October 2023

For the purpose of illustration only and unless otherwise stated, conversion of US\$ into HK\$ in this announcement is based on the exchange rate of US\$1.00 to HK\$7.8224. Such conversion should not be construed as a representation that any amount has been, could have been, or may be, exchanged at this or any other rate.

As at the date of this announcement, the Board comprises eight directors, of which Dr. Stephen Riady (Chairman), Mr. John Luen Wai Lee (Managing Director and Chief Executive Officer) and Mr. Brian Riady as executive Directors, Mr. Jark Pui Lee and Mr. Leon Nim Leung Chan as non-executive Directors and Mr. King Fai Tsui, Mr. Victor Ha Kuk Yung and Ms. Min Yen Goh as independent non-executive Directors.