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GLORIOUS SUN ENTERPRISES LIMITED

旭日企業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 393)

**(1) POSSIBLE VERY SUBSTANTIAL ACQUISITIONS
ACQUISITION MANDATES IN RELATION TO
THE FURTHER ACQUISITIONS
(I.E. THE FURTHER CCB ACQUISITIONS AND
THE FURTHER ICBC ACQUISITIONS)
AND
(2) BOOK CLOSURE PERIOD AND RECORD DATE FOR
SPECIAL GENERAL MEETING**

THE PREVIOUS CCB ACQUISITIONS AND THE PREVIOUS ICBC ACQUISITIONS

References are made to the CCB Announcements and the ICBC Announcements in relation to, among other things, the Previous CCB Acquisitions and the Previous ICBC Acquisitions, respectively. Within a period of 12 months immediately preceding and up to the date of this announcement, the Group had acquired through the open market an aggregate of 102,550,000 CCB Shares and 123,453,000 ICBC Shares (representing approximately 0.04102% and 0.03464% of the total issued share capital of CCB and ICBC, respectively, as at the date of this announcement) for a total cash consideration (excluding stamp duty and related expenses) of HK\$458,627,880 and HK\$468,804,300, respectively.

As at the date of this announcement, the Group was interested in (i) 110,550,000 CCB Shares (representing approximately 0.04422% of the total issued share capital of CCB as at the date of this announcement); and (ii) 128,453,000 ICBC Shares (representing approximately 0.03604% of the total issued share capital of ICBC as at the date of this announcement).

ACQUISITION MANDATES IN RELATION TO THE FURTHER ACQUISITIONS

As the Board is of the view that since both CCB and ICBC are among the market leaders in the banking industry and the shares of which are blue chip stocks in Hong Kong, purchases and holding of the CCB Shares and the ICBC Shares represent opportunities to acquire attractive investments and enhance investment returns for the Group, after careful consideration, the Board proposed to seek approval for the Acquisition Mandates from the Shareholders in advance to authorise the Board to conduct the Further Acquisitions, for an aggregate amount of not exceeding HK\$200 million (excluding stamp duty and related expenses) for each of the Further Acquisitions, during the 12 months from the date on which the ordinary resolutions in relation to the Acquisition Mandates and the Further Acquisitions are duly passed at the SGM.

LISTING RULES IMPLICATIONS

As the profits ratio in respect of the Further CCB Acquisitions, when aggregated with the Previous CCB Acquisitions, is expected to exceed 100% while all the other applicable percentage ratios are expected to be less than 100%, which are computed based on the Listing Rules and FAQ Series 7, No. 12 published by the Stock Exchange, the Further CCB Acquisitions, if they materialise, together with the Previous CCB Acquisitions may constitute a very substantial acquisition of the Company and will therefore be subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the profits ratio in respect of the Further ICBC Acquisitions, when aggregated with the Previous ICBC Acquisitions, is expected to exceed 100% while all the other applicable percentage ratios are expected to be less than 100%, which are computed based on the Listing Rules and FAQ Series 7, No. 12 published by the Stock Exchange, the Further ICBC Acquisitions, if they materialise, together with the Previous ICBC Acquisitions may constitute a very substantial acquisition of the Company and will therefore be subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the Further Acquisitions will be open market transactions and will be conducted on an ongoing basis and considering the stock market is volatile and fast-changing, acquiring the CCB Shares and the ICBC Shares at the best possible prices requires prompt actions at the right timing and it would not be practicable to seek prior Shareholders' approval for each acquisition of the CCB Shares and the ICBC Shares. Accordingly, the Board proposed to seek the Shareholders' prior approval for the grant of each of the Acquisition Mandates at the SGM.

A circular containing, among other things, further details of the Acquisition Mandates and the Further Acquisitions, the notice of the SGM and other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 5 February 2024.

Shareholders and potential investors of the Company should note that any possible acquisition(s) of CCB Shares or ICBC Shares by the Group may depend on market conditions and will be made at the Board's discretion. The stock market may be volatile in the near-term and the prices of the CCB Shares and the ICBC Shares may be subject to fluctuations. There is therefore no assurance as to the timing, quantity or price of any CCB Shares or ICBC Shares to be acquired by the Group. Accordingly, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

THE PREVIOUS CCB ACQUISITIONS AND THE PREVIOUS ICBC ACQUISITIONS

References are made to the CCB Announcements and the ICBC Announcements in relation to, among other things, the Previous CCB Acquisitions and the Previous ICBC Acquisitions, respectively. Within a period of 12 months immediately preceding and up to the date of this announcement, the Group had acquired through the open market an aggregate of 102,550,000 CCB Shares and 123,453,000 ICBC Shares (representing approximately 0.04102% and 0.03464% of the total issued share capital of CCB and ICBC, respectively, as at the date of this announcement) for a total cash consideration (excluding stamp duty and related expenses) of HK\$458,627,880 and HK\$468,804,300, respectively.

As at the date of this announcement, the Group was interested in (i) 110,550,000 CCB Shares (representing approximately 0.04422% of the total issued share capital of CCB as at the date of this announcement); and (ii) 128,453,000 ICBC Shares (representing approximately 0.03604% of the total issued share capital of ICBC as at the date of this announcement).

ACQUISITION MANDATES IN RELATION TO THE FURTHER ACQUISITIONS

As the Board is of the view that since both CCB and ICBC are among the market leaders in the banking industry and the shares of which are blue chip stocks in Hong Kong, purchases and holding of the CCB Shares and the ICBC Shares represent opportunities to acquire attractive investments and enhance investment returns for the Group, after careful consideration, the Board proposed to seek approval for the Acquisition Mandates from the Shareholders in advance to authorise the Board to conduct the Further Acquisitions, for an aggregate amount of not exceeding HK\$200 million (excluding stamp duty and related expenses) for each of the Further Acquisitions, during the 12 months from the date on which the ordinary resolutions in relation to the Acquisition Mandates and the Further Acquisitions are duly passed at the SGM.

The terms of the Acquisition Mandates

(a) *The CCB Acquisition Mandate*

The CCB Acquisition Mandate to be sought from the Shareholders at the SGM will be on the following terms:

1. *Mandate Period*

The CCB Acquisition Mandate is for the Mandate Period, i.e. a period of 12 months from the date on which the ordinary resolution in relation to the CCB Acquisition Mandate and the Further CCB Acquisitions are duly passed by the Shareholders at the SGM.

2. *Scope of Authorisation*

The Board shall be authorised to determine, decide, execute and implement with full discretion in relation to the Further CCB Acquisitions, including but not limited to the number of the CCB Shares to be acquired under each transaction and the timing and price of the Further CCB Acquisitions.

3. *Maximum Amount of the Further CCB Acquisitions*

The CCB Acquisition Mandate, if granted, shall authorise the Board to acquire the CCB Shares in an aggregate amount of not exceeding HK\$200 million (excluding stamp duty and related expenses) in open market transactions, which was determined with reference to the investment strategy of the Group.

For the avoidance of doubt, the above amount does not include the amount of the CCB Shares acquired by the Group prior to the approval of the CCB Acquisition Mandate by the Shareholders at the SGM.

4. *Consideration for the Further CCB Acquisitions*

The consideration for the Further CCB Acquisitions will be determined according to the prevailing market prices of the CCB Shares as quoted on the Stock Exchange, and the Company will purchase the CCB Shares at its discretion with reference to the market conditions and the suitability of the market price, which will be determined based on, among other things, (i) whether the market price represents a potential annual dividend yield of 7% or more based on historical distribution level; (ii) the financial position of CCB; and (iii) a dividend payout ratio of approximately 30% for the past five years.

The consideration for the Further CCB Acquisitions will be settled in cash by the Group's internal resources.

5. *Manner of the Further CCB Acquisitions*

The Further CCB Acquisitions shall be conducted in the open market.

(b) *The ICBC Acquisition Mandate*

The ICBC Acquisition Mandate to be sought from the Shareholders at the SGM will be on the following terms:

1. *Mandate Period*

The ICBC Acquisition Mandate is for the Mandate Period, i.e. a period of 12 months from the date on which the ordinary resolution in relation to the ICBC Acquisition Mandate and the Further ICBC Acquisitions are duly passed by the Shareholders at the SGM.

2. *Scope of Authorisation*

The Board shall be authorised to determine, decide, execute and implement with full discretion in relation to the Further ICBC Acquisitions, including but not limited to the number of the ICBC Shares to be acquired under each transaction and the timing and price of the Further ICBC Acquisitions.

3. *Maximum Amount of the Further ICBC Acquisitions*

The ICBC Acquisition Mandate, if granted, shall authorise the Board to acquire the ICBC Shares in an aggregate amount of not exceeding HK\$200 million (excluding stamp duty and related expenses) in open market transactions, which was determined with reference to the investment strategy of the Group.

For the avoidance of doubt, the above amount does not include the amount of the ICBC Shares acquired by the Group prior to the approval of the ICBC Acquisition Mandate by the Shareholders at the SGM.

4. *Consideration for the Further ICBC Acquisitions*

The consideration for the Further ICBC Acquisitions will be determined according to the prevailing market prices of the ICBC Shares as quoted on the Stock Exchange, and the Company will purchase the ICBC Shares at its discretion with reference to the market conditions and the suitability of the market price, which will be determined based on, among other things, (i) whether the market price represents a potential annual dividend yield of 7% or more based on historical distribution level; (ii) the financial position of ICBC; and (iii) a dividend payout ratio of approximately 30% for the past five years.

The consideration for the Further ICBC Acquisitions will be settled in cash by the Group's internal resources.

5. *Manner of the Further ICBC Acquisitions*

The Further ICBC Acquisitions shall be conducted in the open market.

INFORMATION ON CCB AND ICBC

CCB is a company incorporated in the PRC with limited liability. The principal activities of the CCB Group are the provision of corporate and personal banking services, conducting treasury business, the provision of asset management, trustee, finance leasing, investment banking, insurance and other financial services.

The following financial information is extracted from the published documents of CCB:

	For the nine months ended 30 September 2023	For the year ended 31 December	
	<i>RMB million</i>	2022	2021
	<i>(Unaudited)</i>	<i>RMB million</i>	<i>RMB million</i>
Operating income	570,626	758,155	764,706
Profit before taxation	300,700	382,017	378,412
Profit for the year/period	255,440	323,166	303,928
Total assets	37,845,287	34,601,917	30,253,979
Net assets value	3,097,122	2,878,760	2,614,122

ICBC is a company incorporated in the PRC with limited liability. The principal activities of the ICBC Group comprise corporate and personal financial services, treasury operations, investment banking, asset management, trust, financial leasing, insurance and other financial services.

The following financial information is extracted from the published documents of ICBC:

	For the nine months ended 30 September 2023	For the year ended 31 December	
		2022	2021
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
	<i>(Unaudited)</i>		
Operating income	623,520	841,441	860,880
Profit before taxation	314,245	422,565	424,899
Profit for the year/period	269,929	361,038	350,216
Total assets	44,482,823	39,609,657	35,171,383
Net assets value	3,675,878	3,513,826	3,275,258

As the Further Acquisitions will be conducted in the open market, the identities of the counterparties of the CCB Shares and the ICBC Shares to be acquired cannot be ascertained. In the event that any counterparty is a connected person of the Company, the Company will comply with the requirements under Chapter 14A of the Listing Rules.

REASONS FOR AND BENEFITS OF THE FURTHER ACQUISITIONS AND THE GRANT OF THE ACQUISITION MANDATES

The principal activity of the Company is investment holding. The Group is principally engaged in financial investments, interior decoration and renovation, and export and retailing of casual wear.

Both CCB and ICBC are among the market leaders in the banking industry. The Board holds positive views towards the financial performance and future prospect of the CCB Group and the ICBC Group. The Company considers that the Further Acquisitions are opportunities to acquire attractive investments, which will enhance investment return for the Group.

The approval of the Acquisition Mandates by the Shareholders will provide the Board with the flexibility in dealing in the CCB Shares and the ICBC Shares and reacting promptly to the rapidly changing market conditions.

In view of the above, the Directors are of the view that the terms of the Further Acquisitions and the Acquisition Mandates are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the profits ratio in respect of the Further CCB Acquisitions, when aggregated with the Previous CCB Acquisitions, is expected to exceed 100% while all the other applicable percentage ratios are expected to be less than 100%, which are computed based on the Listing Rules and FAQ Series 7, No. 12 published by the Stock Exchange, the Further CCB Acquisitions, if they materialise, together with the Previous CCB Acquisitions may constitute a very substantial acquisition of the Company and will therefore be subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the profits ratio in respect of the Further ICBC Acquisitions, when aggregated with the Previous ICBC Acquisitions, is expected to exceed 100% while all the other applicable percentage ratios are expected to be less than 100%, which are computed based on the Listing Rules and FAQ Series 7, No. 12 published by the Stock Exchange, the Further ICBC Acquisitions, if they materialise, together with the Previous ICBC Acquisitions may constitute a very substantial acquisition of the Company and will therefore be subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the Further Acquisitions will be open market transactions and will be conducted on an ongoing basis and considering the stock market is volatile and fast-changing, acquiring the CCB Shares and the ICBC Shares at the best possible prices requires prompt actions at the right timing and it would not be practicable to seek prior Shareholders' approval for each acquisition of the CCB Shares and the ICBC Shares. Accordingly, the Board proposed to seek the Shareholders' prior approval for the grant of each of the Acquisition Mandates at the SGM.

To the best of the Board's knowledge, information and belief having made all reasonable enquiries, no Shareholders have a material interest in the Acquisition Mandates and the Further Acquisitions. Accordingly, it is expected that no Shareholder is required to abstain from voting at the SGM. Glorious Sun Holdings (BVI) Limited and Advancetex Holdings (BVI) Limited, each owned as to 51.934% by Dr. Charles Yeung and as to 48.066% by Mr. Yeung Chun Fan, being controlling Shareholders interested in 54.515% of the issued share capital of the Company as at the date of this announcement, had indicated that they will vote in favour of the resolutions approving the Acquisition Mandates and the Further Acquisitions at the SGM.

A circular containing, among other things, further details of the Acquisition Mandates and the Further Acquisitions, the notice of the SGM and other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 5 February 2024.

BOOK CLOSURE PERIOD AND RECORD DATE FOR THE SGM

The register of members of the Company will be closed from Tuesday, 20 February 2024 to Wednesday, 21 February 2024, both days inclusive, for the purpose of determining the entitlement of the Shareholders to attend and vote at the SGM. During such period, no transfer of Shares will be effected. In order to qualify for the entitlement to attend and vote at the SGM, all completed transfer documents accompanied by the relevant share certificate(s) must be lodged with the Hong Kong Branch Share Registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30pm on Monday, 19 February 2024. Shareholders whose names appear on the register of members of the Company on Wednesday, 21 February 2024 shall be entitled to attend and vote at the SGM.

Shareholders and potential investors of the Company should note that any possible acquisition(s) of CCB Shares or ICBC Shares by the Group may depend on market conditions and will be made at the Board's discretion. The stock market may be volatile in the near-term and the prices of the CCB Shares and the ICBC Shares may be subject to fluctuations. There is therefore no assurance as to the timing, quantity or price of any CCB Shares or ICBC Shares to be acquired by the Group. Accordingly, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Acquisition Mandates”	the CCB Acquisition Mandate and the ICBC Acquisition Mandate
“Board”	the board of Directors
“CCB”	China Construction Bank Corporation, a company incorporated in the PRC with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 939) and the Shanghai Stock Exchange (stock code: 601939), respectively
“CCB Acquisition Mandate”	the specific mandate proposed by the Board in order to seek Shareholders' approval at the SGM to authorise the Board to conduct the Further CCB Acquisitions during the Mandate Period

“CCB Announcements”	the Company’s announcements dated 4 April 2023, 4 December 2023, 5 December 2023 and 17 January 2024 in relation to the Previous CCB Acquisitions
“CCB Group”	CCB and its subsidiaries
“CCB Shares”	ordinary shares in the share capital of CCB
“Company”	Glorious Sun Enterprises Limited 旭日企業有限公司, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Further Acquisitions”	the Further CCB Acquisitions and the Further ICBC Acquisitions
“Further CCB Acquisitions”	the possible acquisition of the CCB Shares in an aggregate amount not exceeding HK\$200 million (excluding stamp duty and related expenses) in the open market transactions on an ongoing basis
“Further ICBC Acquisitions”	the possible acquisition of the ICBC Shares in an aggregate amount not exceeding HK\$200 million (excluding stamp duty and related expenses) in the open market transactions on an ongoing basis
“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 PRC

“ICBC”	Industrial and Commercial Bank of China Limited, a commercial bank established in the PRC whose shares are listed on the Main Board of the Stock Exchange (stock code: 1398) and the Shanghai Stock Exchange (stock code: 601398), respectively
“ICBC Acquisition Mandate”	the specific mandate proposed by the Board in order to seek Shareholders’ approval at the SGM to authorise the Board to conduct the Further ICBC Acquisitions during the Mandate Period
“ICBC Announcements”	the Company’s announcements dated 31 March 2023, 4 April 2023, 4 December 2023, 16 January 2024, 17 January 2024, 25 January 2024 and 30 January 2024 in relation to the Previous ICBC Acquisitions
“ICBC Group”	ICBC and its subsidiaries
“ICBC Shares”	ordinary shares in the share capital of ICBC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mandate Period”	the period of 12 months from the date on which the ordinary resolutions in relation to the Acquisition Mandates and the Further Acquisitions are duly passed by the Shareholders at the SGM
“PRC”	the People’s Republic of China which, and for the purpose of this announcement, excludes Hong Kong, Macao Special Administrative Region of the PRC and Taiwan
“percentage ratio(s)”	has the meaning ascribed to it under the Listing Rules
“Previous CCB Acquisitions”	acquisition by the Company of an aggregate of 102,550,000 CCB Shares through a series of transactions for a total consideration (excluding stamp duty and related expenses) of HK\$458,627,880 within the 12-month period immediately preceding and up to the date of this announcement

“Previous ICBC Acquisitions”	acquisition by the Company of an aggregate of 123,453,000 ICBC Shares through a series of transactions for a total consideration (excluding stamp duty and related expenses) of HK\$468,804,300 within the 12-month period immediately preceding and up to the date of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“SGM”	the special general meeting of the Company to approve, among other things, the Acquisition Mandates and the Further Acquisitions
“Shareholders”	the shareholders of the Company
“Shares”	ordinary shares in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“%”	per cent.

By order of the Board
Glorious Sun Enterprises Limited
Hui Chung Shing, Herman, GBS, MH, JP
Director

Hong Kong, 2 February 2024

As at the date of this announcement, the directors of the Company are as follows:

Executive Directors:

Dr. Charles Yeung, GBS, JP, Yeung Chun Fan, BBS, Hui Chung Shing, Herman, GBS, MH, JP, Ms. Cheung Wai Yee and Ms. Yeung Yin Chi, Jennifer

Independent Non-executive Directors:

Lau Hon Chuen, Ambrose, GBS, JP, Dr. Chan Chung Bun, Bunny, GBM, GBS, JP, Ng Wing Ka, Jimmy, BBS, JP and Choi Tak Shing, Stanley, JP