



上古證券有限公司  
Shanggu Securities Limited

SHANGGU SECURITIES LIMITED

Suite 1812B, 18th Floor  
Tower 2, Lippo Centre  
89 Queensway, Admiralty  
Hong Kong

11 March 2025

*To the Independent Shareholders*

Dear Sir or Madam,

**UNCONDITIONAL MANDATORY CASH OFFER BY  
SHANGGU SECURITIES LIMITED FOR AND ON BEHALF OF  
BEIJING TONG REN TANG (CAYMAN) LIMITED FOR  
ALL THE SHARES IN CLSA PREMIUM LIMITED  
(OTHER THAN THOSE SHARES ALREADY OWNED BY  
OR AGREED TO BE ACQUIRED BY  
BEIJING TONG REN TANG (CAYMAN) LIMITED  
AND/OR PARTIES ACTING IN CONCERT WITH IT)**

**INTRODUCTION**

Reference is made to the Joint Announcement in relation to, among other things, the Share Transfer Agreement and the Offer.

As mentioned in the Joint Announcement, on 18 February 2025, the Offeror and the Vendor entered into the Share Transfer Agreement, pursuant to which the Vendor had conditionally agreed to transfer, and the Offeror had conditionally agreed to acquire, a total of 813,316,000 Sale Shares, for a total consideration of HK\$97,994,000 (equivalent to approximately HK\$0.1205 per Sale Share). The Sale Shares represent 40% of the total issued share capital of the Company as at the Latest Practicable Date.

Completion took place on 18 February 2025. Pursuant to the terms of the Share Transfer Agreement, the Consideration for the Transfer shall be paid by the Offeror in the following manner:

- (i) the Completion Payment, being HK\$29,398,200 was paid by the Offeror to the Vendor on the Completion Date; and
- (ii) the balance of the Consideration, being HK\$68,595,800 (i.e. the Deferred Payment), shall be paid by the Offeror to the Vendor within six months after the effective date of the Share Transfer Agreement.

The Offeror has executed the Share Charge in favour of the Vendor to secure, among others, its payment of the Deferred Payment, and shall pay the Interest to the Vendor for the period from the Completion Date to the date on which the Deferred Payment is fully settled.

Immediately after Completion, the Vendor continues to hold the Retained Shares (i.e. 386,994,001 Shares), representing approximately 19.03% of the issued share capital of the Company as at the Latest Practicable Date. Due to the Deferred Payment which will be settled after Completion and the Share Charge, the Vendor is presumed to be acting in concert with the Offeror under Class (9) of the definition of “acting in concert” under the Takeovers Code until the full settlement of the Deferred Payment by the Offeror. The Offeror does not expect to make early repayment of the Deferred Payment prior to the close of the Offer. Pursuant to the Share Transfer Agreement, the Vendor agrees and acknowledges that the Offer will not extend to the Retained Shares, and further irrevocably undertakes that it will not sell, transfer, charge, pledge or grant any option over or otherwise dispose of or create any encumbrances in respect of any of the Retained Shares or any interest in any of the Retained Shares during the Offer Period.

As at the Latest Practicable Date, the Company has 2,033,290,000 Shares in issue and the Company does not have any other outstanding Shares, warrants, options, derivatives or other securities which are convertible into Shares or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

Immediately prior to Completion, none of the Offeror nor the parties acting in concert with it (excluding the Vendor) was interested in any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code). Immediately after Completion and as at the Latest Practicable Date, the Offeror and parties acting in concert with it (including the Vendor) are interested in 1,200,310,001 Shares, representing approximately 59.03% of the total issued share capital of the Company.

Pursuant to Rule 26.1 of the Takeovers Code, immediately following Completion, the Offeror is required to make an unconditional mandatory cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it (including the Vendor)). The Offer will be made to the Independent Shareholders. Shangu is making the Offer for and on behalf of the Offeror.

This letter forms part of this Composite Document and sets out, among other things, details of the Offer, information on the Offeror, and its intentions in relation to the Company. Further details on the terms and the procedures for acceptance of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. The Independent Shareholders are strongly advised to carefully consider the information contained in the “Letter from the Board”, the “Letter from the Independent Board Committee”, the “Letter from the Independent Financial Adviser”, the appendices to this Composite Document and the accompanying Form of Acceptance, and to consult their own professional advisers before reaching a decision as to whether or not to accept the Offer.

## THE OFFER

Shanggu, for and on behalf of the Offeror and in compliance with the Takeovers Code, is making the Offer on the following terms:

**For each Offer Share . . . . . HK\$0.1229 in cash**

The Offer Price of HK\$0.1229 per Offer Share is equivalent to the Sale Price payable by the Offeror together with the Interest accruing on the Deferred Payment for a period of six months from the Completion Date divided by the number of the Sale Shares, i.e. 813,316,000 Shares, the calculation of which is illustrated below:

$$\text{Sale Price}^{(\text{Note 1})} + \frac{\text{Interest accruing on the Deferred Payment for a period of six months from the Completion Date}^{(\text{Note 2})}}{\text{Number of the Sale Shares}^{(\text{Note 3})}} = \text{HK\$0.1229}^{(\text{Note 4})}$$

Notes:

1. Sale Price = the Consideration divided by the number of Sale Shares = approximately HK\$0.1205 per Share
2. Interest accruing on the Deferred Payment for a period of six months from the Completion Date = (Deferred Payment x 5.5%) x 6 months/12 months = approximately HK\$1,886,384.50
3. Number of Sale Shares = 813,316,000 Shares
4. The Offer Price is rounded up to HK\$0.1229

**The Offeror will not increase the Offer Price as set out above. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.**

The Company confirms that as at the Latest Practicable Date, (i) it has not declared any dividend which is not yet paid; and (ii) it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing or lapse of the Offer. If, after the Latest Practicable Date, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution.

## Offer Price and Comparisons of Value

The Offer Price of HK\$0.1229 per Offer Share represents:

- (i) a discount of approximately 10.94% to the closing price of HK\$0.138 per Share as quoted on the Stock Exchange on 7 March 2025, being the Latest Practicable Date;
- (ii) a premium of approximately 75.57% to the closing price of HK\$0.07 per Share as quoted on the Stock Exchange on 24 April 2023, being the last trading day before the date of the initial Rule 3.7 Announcement dated 15 July 2024;
- (iii) a discount of approximately 33.57% to the closing price of HK\$0.185 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iv) a discount of approximately 24.97% to the average of the closing price as quoted on the Stock Exchange for the five trading days immediately prior to and including the Last Trading Day of approximately HK\$0.1638 per Share;
- (v) a discount of approximately 20.71% to the average of the closing price as quoted on the Stock Exchange for the ten trading days immediately prior to and including the Last Trading Day of approximately HK\$0.155 per Share;
- (vi) a premium of approximately 1.82% to the average of the closing price as quoted on the Stock Exchange for the thirty trading days immediately prior to and including the Last Trading Day of approximately HK\$0.1207 per Share;
- (vii) a premium of approximately 4.18% over the Group's audited consolidated net assets attributed to the Shareholders per Share of approximately HK\$0.1180 as at 31 December 2023 (calculated based on (i) a total of 2,033,290,000 Shares as at the Latest Practicable Date; and (ii) the Group's audited consolidated net assets attributable to the Shareholders of approximately HK\$239.865 million as at 31 December 2023); and
- (viii) a premium of approximately 1.74% over the Group's unaudited consolidated net assets attributed to the Shareholders per Share of approximately HK\$0.1208 as at 30 June 2024 (calculated based on (i) a total of 2,033,290,000 Shares as at the Latest Practicable Date; and (ii) the Group's unaudited consolidated net assets attributable to the Shareholders of HK\$245.606 million as at 30 June 2024).

## Highest and Lowest Trading Prices

During the Relevant Period and up to the Latest Practicable Date, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.241 per Share on 25 February 2025; and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.074 per Share on 20 September 2024.

### **Value of the Offer**

As at the Latest Practicable Date, the total issued Shares of the Company is 2,033,290,000 Shares. Based on the Offer Price of HK\$0.1229 per Offer Share and the 2,033,290,000 Shares issued, the entire issued share capital of the Company is valued at HK\$249,891,341.

Assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date and up to the close of the Offer, and as the Offeror and the parties acting in concert with it (including the Vendor) are interested in an aggregate of 1,200,310,001 Shares immediately after Completion and as at the Latest Practicable Date, 832,979,999 Shares are subject to the Offer. Assuming full acceptance of the Offer and based on the Offer Price of HK\$0.1229 per Offer Share, the value of the Offer is approximately HK\$102,373,241.88.

### **Confirmation of Financial Resources**

As noted above, assuming full acceptance of the Offer and based on the Offer Price of HK\$0.1229 per Offer Share, the value of the Offer is approximately HK\$102,373,241.88. The Offeror intends to finance the consideration payable under the Offer in full with its internal financial resources.

Shanggu, being the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration payable upon full acceptance of the Offer.

### **PROCEDURES FOR ACCEPTANCE OF THE OFFER**

To accept the Offer, you should complete and sign the accompanying Form of Acceptance in accordance with the instructions printed thereon, which form part of the terms and conditions of the Offer.

The duly completed and signed Form of Acceptance, should be sent by post or by hand, together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof), to the Registrar, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, marked "CLSA Premium Limited – Offer" on the envelope, as soon as possible and in any event no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce, with the consent of the Executive, in accordance with the Takeovers Code.

No acknowledgment of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

Your attention is drawn to “Further terms and procedures for acceptance of the Offer” as set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

### **Effect of Accepting the Offer**

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

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 fully paid, free from liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights and benefits at any time accruing and attached to them, including the rights to receive all dividends and distributions, if any, declared, made or paid by reference to a record date on or after the date on which the Offer is made, that is, the date of despatch of the Composite Document.

Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code, details of which are set out in the section headed “6. Right of withdrawal” in Appendix I to this Composite Document.

### **Payment**

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event no later than seven (7) Business Days after the date of receipt of a duly completed Form of Acceptance of the Offer. Relevant documents evidencing title of the Offer Shares must be received by or on behalf of the Offeror (or the branch share registrar and transfer office of the Company in Hong Kong) to render such acceptance of the Offer complete, valid and in compliance with Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a cent will be payable and the amount of the consideration payable to an Independent Shareholder who accepts the Offer will be rounded up to the nearest cent.

### **Hong Kong Stamp Duty**

Seller’s ad valorem stamp duty at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable by the Offeror to the relevant Independent Shareholder on acceptance of the Offer (where the stamp duty calculated includes a fraction of HK\$1, the stamp duty will be rounded-up to the nearest HK\$1). The Offeror will arrange for payment of the sellers’ ad valorem stamp duty on behalf of the relevant Independent Shareholder accepting the Offer and will pay the buyer’s ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

## **Taxation Advice**

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 (including the Vendor), the Company, 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.

## **Overseas Shareholders**

The Offeror intends to make the Offer available to all Independent Shareholders, including those with a registered address in a jurisdiction outside Hong Kong. The availability of the Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions. The making of the Offer to such Overseas Shareholders may be prohibited or limited by the laws or regulations of the relevant jurisdictions. The Overseas Shareholders should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice.

It is the responsibility of the Overseas Shareholders who wish to take any action in relation to the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with any such action, including the obtaining of any governmental, exchange control or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes in respect of any relevant jurisdictions.

Any acceptance by Shareholders and beneficial owners of the Shares who are citizens, residents or nationals of a jurisdiction outside Hong Kong will be deemed to constitute a representation and warranty from such persons to the Offeror that the local laws and requirements have been complied with. Shareholders who are in doubt as to the action they should take should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

As at the Latest Practicable Date, based on the record in the register of members of the Company, the Company had one Overseas Shareholder with registered address located in the PRC. The Offeror was advised by legal advisers in the PRC that there is no restriction as to the despatch of this Composite Document and the accompanying Form of Acceptance, and the making of the Offer, to such Overseas Shareholder. The Offeror will therefore despatch this Composite Document and the Form of Acceptance to such Overseas Shareholder. This Composite Document will not be filed, nor approved for its issuance sought, under the applicable securities or equivalent legislation or rules of any jurisdiction other than Hong Kong and this Composite Document will be published on the websites of the Company and the Stock Exchange and all material information in this Composite Document will be made available to such Overseas Shareholder.

## INFORMATION OF THE OFFEROR

The Offeror is a limited liability company established in the Cayman Islands, and is an enterprise which combined innovative health and ecological via internet. Through the Internet Plus model, it integrates global health and medical resources, and combines mobile internet technology, health cloud computing, artificial intelligence technology, etc. to serve and to provide high-quality professional health products and health services to global consumers. The business of the Offeror Group includes the traditional Chinese medicine internet hospital platform and a cross-border e-commerce platform.

As at the Latest Practicable Date, the Offeror is held as to 59.4% by Top Eminent Invest Co., Ltd., 24% by E-comm Offshore Holding Limited, 15% by JinRong International Holding Limited and 1.6% by Top Eminent Invest I Co., Limited. Top Eminent Invest Co., Ltd. is a limited liability company incorporated in the British Virgin Islands and is wholly-owned by Mr. Ji Guangfei, who is in turn one of the directors of the Offeror. E-comm Offshore Holding Limited is a limited liability company incorporated in the British Virgin Islands which is wholly-owned by Beijing Tong Ren Tang Chinese Medicine Company Limited (a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 3613)).

Mr. Ji Guangfei (“**Mr. Ji**”), aged 51, is a Hong Kong resident. Having dedicated over 25 years to the fields of corporate management and investment operation, and accumulated profound experience in various fields including medical health, financial investment and energy, etc, Mr. Ji possesses extensive resources integration ability to promote in-depth integration of industries. Mr. Ji currently serves as the chairman of Tong Ren Tang International Group, and plays a key role in the corporate management and strategic decision-making, leading the group to steady development. Concurrently, Mr. Ji also serves as the director of various companies, including Top Eminent Invest Co., Limited (an entity incorporated in Hong Kong), Top Eminent Investment (Singapore) Pte Ltd., Beijing Tong Ren Tang USA Inc., Beijing Tong Ren Tang Europe Holding B.V., and The Herb Booth Pty Ltd., etc., contributing to the corporate development with his rich experience and outstanding leadership. Mr. Ji obtained an Executive Master of Business Administration (EMBA) degree from the Chinese University of Hong Kong in 2015.

## INFORMATION ON THE GROUP

Your attention is drawn to the section headed “Information on the Group” in the “Letter from the Board” as set out on page 20 of this Composite Document.



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

Following the completion of the Offer, the Offeror intends to continue and support the existing principal businesses of the Group and to work closely with the Company's management team to drive both customer and shareholder value. As at the Latest Practicable Date, (i) the Offeror does not have any plans to make any material changes to the continued employment of the employees of the Group (other than those in the ordinary course of business); and (ii) the Offeror has no intention to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business. The Offeror will conduct a strategic review of the Group's assets, corporate structure, capitalization, operations, properties, policies and management to determine if any changes would be appropriate and desirable following the completion of the Offer with a view to optimizing the Group's activities and development, and may make such changes as the Offeror deems necessary, appropriate or beneficial for the Group following its strategic review and/or taking into account any future developments.

## **THE BOARD COMPOSITION OF THE COMPANY**

As at the Latest Practicable Date, the Board comprises Mr. Yuan Feng and Mr. Chung Cheuk Fan Marco as executive Directors, Mr. Li Jiong and Mr. Xu Jianqiang as non-executive Directors, and Mr. Wu Jianfeng, Ms. Hu Zhaoxia and Mr. Ma Anyang as independent non-executive Directors.

The Offeror does not have any intention to nominate new Directors to the Board but may do so in the future. If the Offeror wishes to nominate new Directors to the Board in the future, such nomination(s) shall be with effect from the earliest time permitted under the Takeovers Code. Further announcement(s) will be made by the Company in compliance with the requirements of the Listing Rules as and when there are changes in the composition of the Board.

Pursuant to the Share Transfer Agreement, upon Completion, the Offeror shall use its best endeavor to procure the Company to take all necessary actions to ensure that (subject to compliance with the articles of the Company, the Listing Rules and the Takeovers Code), for the period from the Completion Date to the day the Vendor ceases to be a shareholder of the Company, at least two candidates nominated by the Vendor are appointed as Directors. As at the Latest Practicable Date, save for the aforesaid arrangement, there is no agreement between the Offeror and the Vendor regarding the voting in respect of appointment of new Directors. Save for the Share Transfer Agreement and the Share Charge, there is no relationship, agreement or arrangement between the Offeror and the Vendor.

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

The Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offer. The Stock Exchange has stated that if, at the closing of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the total issued Shares (excluding treasury shares), are held by the public, or if the Stock Exchange believes that: (i) a false market exists or may exist in the trading of the Shares; or (ii) that there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend dealings in the Shares.

The directors of the Offeror and the new directors to be appointed to the Board (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares. Further announcement(s) will be made in accordance with the requirements of the Listing Rules and the Takeovers Code as and when appropriate.

## **COMPULSORY ACQUISITION**

The Offeror does not intend to exercise any right which may be available to it to compulsorily acquire any outstanding Offer Shares not acquired pursuant to the Offer after the close of the Offer.

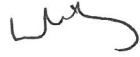
## **GENERAL**

All documents, communications, notices, Form of Acceptance, Share certificate(s), transfer receipt(s), other document(s) of title and remittances in respect of cash consideration payable for the Offer Shares tendered under the Offer will be sent to the accepting Shareholders by ordinary post at such Shareholder's own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the register of members of the Company as at the Latest Practicable Date, or in the case of joint Shareholders, to the Shareholder whose name appears first in the said register of members, unless otherwise specified in the accompanying Form of Acceptance completed, returned and received by the Registrar. None of the Offeror, parties acting in concert with the Offeror (including the Vendor), the Company, Shanggu, the Independent Financial Adviser, the Registrar, the company secretary of the Company and any of their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer will be responsible for any loss in postage or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.

## **ADDITIONAL INFORMATION**

Your attention is drawn to the additional information regarding the Offer set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. In addition, your attention is also drawn to the “Letter from the Board”, the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser” contained in this Composite Document and to consult your professional advisers, before deciding whether or not to accept the Offer.

Yours faithfully,  
For and on behalf of  
**SHANGGU SECURITIES LIMITED**



**Wiley O'Yang**  
*Managing Director*



**Han Xu**  
*Managing Director*