

不可撤销承诺契据

保密文件

致： 唯一董事
BECL Investment Holding Limited 首置投资控股有限公司（“要约人”）
中国香港上环干诺道中 148 号
粤海投资大厦 10 楼

2024 年 12 月 27 日

敬启者：

首創鉅大有限公司（股份代号：1329）（“公司”）

1. 本契据关于要约人通过协议安排的方式（“协议安排”或“计划”）对公司进行私有化及要约人对公司已发行的永久可换股证券发起有条件现金要约（“永久可换股证券要约”）的建议。该建议根据载于要约人与公司按照《公司收购及合并守则》规则 3.5 联合发布的公告（“公告”）及计划文件（“计划文件”）规定的条款和条件进行。该公告载于本契据附件一。除非另有定义，本契据使用的术语和表述应具有公告规定的含义。
2. 我们：
 - (a) 在此保证、陈述及承诺，在以下日期均不晚于 2025 年 1 月 31 日的条件下，截至本契据出具之日、计划文件里所载的最后可行日、法院会议及公司就该建议及/或计划将召开的特别股东大会（“特别股东大会”）之记录日期（“股东大会记录日期”）：
 - (i) 我们是 95,192,308 股已发行股份（“现有股份”，占公司截至本契据之日已发行股份的约 8.20%）及（如适用）转换股份的实益所有人，且现有股份及转换股份之上均不存在任何限制我们在法院会议及特别股东大会行使现有股份及转换股份投票权的已知权利负担或任何已知第三方权利；
 - (ii) 我们作为法定和实益拥有人持有由公司于 2016 年 12 月 28 日发行的永久可换股证券（“永久可换股证券”），我们持有的永久可换股证券本金金额为 657,594,260 港元或（于任何已许可转换后）相等于 657,594,260 港元扣除已许可转换下已转换成公司股份的永久可换股证券本金金额的港元金额。截至本契据日期，根据每股股份 2.10 港元的兑换价，我们持有的本金金额为 657,594,260 港元的永久可换股证券可兑换为 313,140,124 股股份，占已发行股份约 21.23%（经仅计及有关兑换及根据于本契据之日 1,161,584,249 股已发行股份，按全面摊薄基准计算）；
 - (iii) 除第 2(a)(i)及 2(a)(ii)段所述以外，我们不持有公司任何其他股份或证券的任何权益，也不享有认购、购买或以其他方式获得任何该等股份或证券的任何权利；
 - (iv) 我们依据英属维京群岛法律依法设立并有效存续；

- (v) 我们拥有签署、交付和作出**本契据**项下承诺、履行或促使他人履行**本契据**项下义务所需的完全权力和授权；**本契据**项下我们的各项义务均为合法、有效并可按照**本契据**条款强制执行的义务；
- (vi) **本契据**的签署和交付、我们履行**本契据**以及完成**本契据**预期的交易，不会与下列各项相冲突或导致违反下列各项：
 - (A) 适用于我们的任何法律、规则或条例；
 - (B) 我们的章程文件及公司注册文件（包括但不限于营业执照）；或
 - (C) 对我们具有约束力的任何文件；
- (vii) 我们所需的与**本契据**的签订、履行、有效性、可执行性和作为证据的可接纳性以及**本契据**所预期的交易相关的所有授权（包括但不限于所需的企业、监管及其他批准）均已获得或生效（视情况而定），并具有十足效力；及
- (viii) 我们无权就我们所在设立地所属司法管辖区进行的与**本契据**相关的任何程序中，主张任何诉讼、执行、扣押或其他法律程序的豁免。

3. 就**本契据**而言，“已许可转换”指受限于**本契据**的条件及条款，任何于记录日期前根据公司于2016年12月28日订立关于永久可换股证券的单方契据(deed poll)及永久可换股证券的条件及条款完成的永久可换股证券股份转换，而“转换股份”指任何已许可转换完成后自永久可换股证券转换而成的公司普通股股份。受限于**本契据**的条款和条件，我们在此不可撤销和无条件地承诺：

- (a) 我们将在法院会议（以及如适用，其任何续会或延会）行使或促使行使现有股份、转换股份、以及我们拥有直接或间接权益的任何其他股份附带的全部表决权表决赞成，根据公告中列出及计划文件中列出的协议安排的条款和条件通过批准协议安排以及与协议安排相关之任何事项的一切决议案；
- (b) 我们将在特别股东大会（以及如适用，其任何续会或延会）行使或促使行使现有股份、转换股份、以及我们拥有直接或间接权益的任何其他股份附带的全部表决权表决赞成，所有就根据公告中列出及计划文件中列出就该建议及/或协议安排的条款和条件实施该建议及/或协议安排有关的一切股东决议（包括但不限于批准通过注销计划股份减少公司已发行股本及紧随其后，将公司发行股本通过向要约人定向发行的方式增至注销计划股份前的数量的相关股东特别决议，或与实施该建议及/或协议安排有关的任何其他股东决议）；
- (c) 我们将在记录日期前就当日我们仍持有且尚未赎回及/或完成兑换为股份之永久可换股证券按计划文件中列出的永久可换股证券要约的条件及条款接纳永久可换股证券要约，且我们不会撤回对永久可换股证券要约的该等接纳；
- (d) 在**本契据**签署日至所有条件获得满足或被豁免（如适用）之日的期间内，我们不得购买或允许我们直接或间接拥有任何权益的任何公司购买公司全部或部分已发行股份及/或永久可换股证券，或与任何人达成采取以上任何行动的任何协议或安排（无论是有条件达成与否）；

- (e) 在本契据签署日至所有条件获得满足或被豁免（如适用）之日的期间内，我们不会（履行本契据除外）：
 - (i) 以任何形式交易公司的任何证券（除已许可转换外）；
 - (ii) 进行或要求进行无论因任何原因未能于记录日期前完成的永久可换股证券股份转换（且我们将在记录日期当日无条件向公司要求撤回任何未能于记录日期前完成的永久可转换证券股份转换要求）；或
 - (iii) 订立、要约、同意或宣布任何与上述(i)及(ii)项所指明的交易效力类同的协议、合同、交易、承诺，或拟议协议、合同、交易或承诺；
 - (f) 对于未以我们的名义登记的任何现有股份、转换股份及/或任何我们拥有直接或间接权益的任何其他股份，我们将采取或促使登记持有人采取必要的行动以完全遵守本契据中条款，且我们应促使及确保该等人士完全遵守本契据的条款，如同其分别均为本契据规定的承诺人一样；
 - (g) 我们应采取一切必要行动、获得一切必要同意和批准（如有）并签署一切必要文件，以使本契据中列明的承诺生效；及
 - (h) 未经要约人事先同意，我们不会向任何人传阅本契据或就本契据进行任何披露，但对我们拥有管辖权的法律法规或任何政府或监管机关要求的披露除外。
4. 我们：
- (a) 确认并同意于计划文件以及与该建议相关的任何其他文件或公告中提述我们以及本契据的具体内容；
 - (b) 同意向证监会和联交所（如证监会和联交所要求）和公众提供本契据，供证监会和联交所以及公众查阅；及
 - (c) 承诺及时向要约人及公司提供所有合理要求的信息，以及要约人及公司可能合理要求的协助，以遵守《上市规则》、《收购守则》或任何其他相关法律或监管要求。
5. 我们理解并确认：
- (a) 本契据具有法律约束力；
 - (b) 受限于下文第7段，我们在任何情况下均不得终止或撤销本契据；以及
 - (c) 本契据的任何条款均不会导致要约人有义务继续执行协议安排及/或该建议。
6. 我们在本契据中的承诺应自本契据签署之日起生效。
7. 本契据应在要约人及/或公司在联交所刊发公告宣布该等以下情况发生后终止：
- (a) 未能在最终截止日前满足或放弃（视情况而定）所有条件；
 - (b) 协议安排未获法院会议批准，或该建议未获特别股东大会的所需批准通过；

- (c) 协议安排未获大法院批准；或
- (d) 该建议因其他原因失效或被撤销。
8. 本契据所述的任何日期、时间或期间极为重要；但我们与要约人书面约定变更任何日期、时间或期间的情况除外，在这种情况下，变更后的日期、时间或期间极为重要。
9. 我们同意，损害赔偿不构成对违反本契据的行为的适当救济，并且，我们承认，要约人有权针对违反本契据的行为申请实际履行救济和其他衡平法救济。
10. 通知
- (a) 本契据项下或与之相关的通知（“通知”）：
- (i) 必须采用书面形式并以中文书就；以及
- (ii) 由专人或通过快递或电邮按照第 10(b)段列明的地址交付至通知的收件方，或该方在收到通知前书面通知其他方的其他地址、收件人或电邮地址。
- (b) 第 10(a)(ii)段提及的地址为：
- (i) 就 Smart Win Group Limited 而言：
- 地址： c/o PricewaterhouseCoopers Limited, 22/F., Prince's Building, Central, Hong Kong
- 电邮地址： waison@virtuscorpsservices.com/
jacky.hy.wan@hk.pwc.com / daisy.cc.choy@hk.pwc.com
/trenton.kc.lai@hk.pwc.com
- 收件人： Mr Ng Yuk Wai / Mr Jacky Wan / Ms Daisy Choy / Mr Trenton Lai; 及
- (ii) 就要约人而言：
- 地址： 深圳市龙华区龙华广场三路 5 号首创商务大厦 16 楼
- 电邮地址： peijun@bjcapitalland.com.cn
- 收件人： 裴瀚。
- (c) 通知在下列时间被视为送达：
- (i) 如由专人递送（包括但不限于由知名国际快递公司）或快递，交付至第 10(b)段提及的地址之时；及
- (ii) 如通过电邮发送，于电子邮件记录的发送时间和日期，但前提是未发送失败，发件人也未收到该等通知。

11. 除要约人及我们以外的任何人均无权根据《合约（第三者权利）条例》（香港法例第623章）执行**本契据**的任何条款。但本规定不影响第三方在该条例之外存在或可获得的权利或救济。
12. **本契据**适用香港法律并据其解释。
13. 由**本契据**所引发或与之相关的任何争议、分歧或权利主张（包括但不限于(i)有关合同、合同前或非合同权利、义务或责任的任何问题；以及(ii)有关**本契据**的存在、有效性、违约或终止的任何问题）（“**争议**”）应提交香港国际仲裁中心（“**HKIAC**”）根据提交仲裁通知之时有效的**HKIAC**仲裁规则（“**规则**”）通过仲裁最终解决。**规则**应被视为已援引纳入本段，并可被本段的其他规定修订。
14. 仲裁庭（“**仲裁庭**”）应由按照**规则**指定的三名仲裁员组成。仲裁地点为香港。本段规定的仲裁适用香港法律。
15. 仲裁程序应使用中文普通话。仲裁庭的裁定应以书面形式作出，自作出之日起为最终裁决，并对各方具有约束力。各方承诺毫不延迟地执行裁定。
16. **本契据**的任何内容均不妨碍或阻止一方在仲裁程序之前或仲裁期间向香港法院申请采取临时保护措施（包括通过禁制令救济）。

附录一
该公告副本

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint 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 joint announcement.

This joint announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company, nor is it a solicitation of any vote or approval in any jurisdiction.

This joint announcement is not for release, publication or distribution, in whole or in part, in, into or from any jurisdiction where to do so would constitute a violation of the applicable laws or regulations of such jurisdiction.

CAPITAL  GRAND

BECL INVESTMENT HOLDING LIMITED BEIJING CAPITAL GRAND LIMITED

首置投資控股有限公司

(incorporated in Hong Kong with limited liability)

首創鉅大有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1329)

JOINT ANNOUNCEMENT

**(1) CONDITIONAL PROPOSAL FOR THE PRIVATISATION OF
BEIJING CAPITAL GRAND LIMITED BY THE OFFEROR BY WAY OF
A SCHEME OF ARRANGEMENT (UNDER SECTION 86 OF THE COMPANIES ACT)**

**(2) PROPOSED VOLUNTARY WITHDRAWAL OF LISTING OF
BEIJING CAPITAL GRAND LIMITED**

(3) ENTERING INTO OF THE UNICHOW IRREVOCABLE UNDERTAKING

(4) ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE

(5) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

AND

(6) RESUMPTION OF TRADING IN THE SHARES

Financial adviser to the Offeror



**Independent Financial Adviser to the
Independent Board Committee**

RAINBOW.

RAINBOW CAPITAL (HK) LIMITED
流博資本有限公司

SCHEME OF ARRANGEMENT

On 16 October 2024 (after trading hours), the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act involving the cancellation of the Scheme Shares and, in consideration thereof, the payment to the Scheme Shareholders of the Cancellation Price in cash for each Scheme Share, and the withdrawal of the listing of the Shares on the Stock Exchange.

The Scheme will provide that all of the Scheme Shares will be cancelled in exchange for the Cancellation Price of HK\$0.85 in cash for each Scheme Share.

If the Scheme is approved and becomes effective and is implemented, all the issued Shares will be indirectly wholly-owned by Capital Group, the ultimate parent company of the Offeror.

If, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror will reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital, in which case any reference in this joint announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced (and the offer price of the Perpetual CB Securities Offer shall be reduced accordingly). As at the Announcement Date, the Company has no declared but unpaid dividends and/or other distribution and/or other return of capital. In addition, the Company has confirmed that it does not intend to announce, declare or pay any dividend, distribution or other return of capital before the Effective Date or the lapse, withdrawal or termination of the Scheme (whichever is earlier).

The Cancellation Price and the offer price under the Perpetual CB Securities Offer will not be increased, and the Offeror does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price or the offer price under the Perpetual CB Securities Offer.

The Cancellation Price of HK\$0.85 per Scheme Share in cash represents:

- a premium of approximately 46.55% over the closing price of HK\$0.58 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 54.55% over the average closing price of HK\$0.55 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;

- a premium of approximately 41.75% over the average closing price of approximately HK\$0.60 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 47.85% over the average closing price of approximately HK\$0.57 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day; and
- a premium of approximately 65.44% over the average closing price of approximately HK\$0.51 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day.

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Scheme Shareholders, subject to the fulfilment or waiver (as applicable) of the Conditions as set out in the paragraph headed “Conditions of the Proposal and the Scheme” below.

THE PERPETUAL CB SECURITIES OFFER

The Offeror will make (or procure to be made on its behalf) the Perpetual CB Securities Offer to the Perpetual CB Securities Holders in accordance with Rule 13 of the Takeovers Code to acquire all the outstanding Perpetual CB Securities which remain outstanding and have not otherwise been redeemed and/or converted into Shares pursuant to the conversion rights thereunder as at the Effective Date. The Perpetual CB Securities Offer is conditional upon the Scheme becoming effective.

In accordance with Practice Note 6 to the Takeovers Code, the offer price under the Perpetual CB Securities Offer is HK\$0.40476190476 for every HK\$1 face value of the Perpetual CB Securities, being the “see-through” consideration for each Perpetual CB Securities with a face value of HK\$1 (i.e. being approximately 0.476190 Share for every HK\$1 face value at the prevailing conversion price of HK\$2.10 per Share, multiplied by the Cancellation Price per Scheme Share), and the total Perpetual CB Securities Offer is valued at HK\$346,403,960, which is calculated by multiplying the number of Shares into which the Perpetual CB Securities are convertible into (being an aggregate of 407,534,071 Shares for all the outstanding Perpetual CB Securities at the conversion price of HK\$2.10 per Share, each as at the Announcement Date) by the Cancellation Price per Scheme Share.

If, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid, the Offeror will reduce the offer price under the Perpetual CB Securities Offer by all or any part of the amount or value of the PCBS Variable Interests arising out of such dividend, distribution and/or, as the case may be, return of capital, in which case any reference in this joint announcement, the Scheme Document or any other announcement or document to the offer price under the Perpetual CB Securities Offer will be deemed to be a reference to the offer price under the Perpetual CB Securities Offer as so reduced.

If any Perpetual CB Securities Holders exercise the conversion rights in accordance with the terms and conditions of the Perpetual CB Securities and become Shareholders on or before the Record Date, any Shares so issued will be subject to and eligible to participate in the Scheme.

The offer price under the Perpetual CB Securities Offer will not be increased, and the Offeror does not reserve the right to do so. 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 under the Perpetual CB Securities Offer.

ENTERING INTO OF UNICHOW IRREVOCABLE UNDERTAKING

On 28 October 2024, Unichow entered into the Unichow Irrevocable Undertaking in favour of the Offeror, pursuant to which Unichow undertook to convert all the Perpetual CB Securities held by it into Shares and to vote in favour of resolutions in relation to the implementation of the Scheme in respect of the Unichow Undertaking Shares. The principal terms of the Unichow Irrevocable Undertaking are set out in the section headed “Entering into of Unichow Irrevocable Undertaking” below in this joint announcement.

FINANCIAL RESOURCES

The Offeror has appointed CICC as its financial adviser in connection with the Proposal.

On the assumption that (i) other than the Perpetual CB Securities held by Unichow which will be converted into 94,393,947 new Scheme Shares in accordance with the Unichow Irrevocable Undertaking, none of the other Perpetual CB Securities are converted into Shares on or before the Effective Date; (ii) the Perpetual CB Securities Offer are accepted by the Perpetual CB Securities Holder(s) other than Unichow; and (iii) there are no other change in the issued share capital of the Company from the Announcement Date up to and including the Effective Date, the Proposal will involve (i) the cancellation of 440,430,403 Scheme Shares in exchange for HK\$0.85 per Scheme Share in cash and (ii) the acquisition of Perpetual CB Securities in the aggregate principal amount of HK\$657,594,260 at the offer price of HK\$0.40476190476 for every HK\$1 face value of the Perpetual CB Securities in cash, and the maximum cash consideration payable for the Scheme and the Perpetual CB Securities Offer is approximately HK\$640,534,948.

On the assumption that (i) all of the Perpetual CB Securities are converted into Shares on or before the Record Date; and (ii) there are no other change in the issued share capital of the Company from the Announcement Date up to and including the Effective Date, the Proposal will involve the cancellation of 753,570,527 Scheme Shares in exchange for HK\$0.85 per Scheme Share in cash, and the maximum cash consideration payable for the Scheme is approximately HK\$640,534,948.

The payment of the total consideration under the Scheme and the Perpetual CB Securities Offer will be financed by the internal financial resources and/or external financing.

CICC, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for satisfying its payment obligations in respect of the cash consideration payable under the Proposal.

INDEPENDENT BOARD COMMITTEE

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee which comprises all the non-executive Directors who have no direct or indirect interest in the Proposal other than as a Shareholder, namely Mr. Zhai Senlin, Mr. Yeung Chi Tat, Dr. Huang Wei and Mr. Xu Weiguo, has been established by the Board to make a recommendation, after taking into account the advice and recommendation from the Independent Financial Adviser (i) to the Disinterested Shareholders as to whether the Proposal and the Scheme are, or are not, fair and reasonable and as to voting at the Court Meeting and the extraordinary general meeting of the Company and (ii) to the Perpetual CB Securities Holders as to whether the Perpetual CB Securities Offer is, or is not, fair and reasonable and whether to accept the Perpetual CB Securities Offer. As each of Mr. Wang Hao and Ms. Qin Yi (each being a non-executive Director) holds certain positions in Capital Group and/or BCCDG (the parent companies of the Offeror), Mr. Wang Hao and Ms. Qin Yi do not form part of the Independent Board Committee.

INDEPENDENT FINANCIAL ADVISER

The Board, with the approval of the Independent Board Committee, has appointed Rainbow Capital (HK) Limited as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal, the Scheme and the Perpetual CB Securities Offer pursuant to Rule 2.1 of the Takeovers Code.

WITHDRAWAL OF LISTING OF SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and any share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules which will take effect after the Scheme becomes effective.

The Scheme Shareholders will be notified by way of an announcement of the exact date of the last day for dealing in the Shares and on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. A detailed timetable of the Scheme will be included in the Scheme Document, which will also contain, *inter alia*, further details of the Scheme.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

The Scheme will lapse if any of the Conditions has not been satisfied or waived, as applicable, on or before the Conditions Long Stop Date, and in such case the Perpetual CB Securities Offer will not become unconditional. The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective or the Proposal otherwise lapses.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with the Offeror in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, (i) announce an offer or possible offer for the Company, or (ii) acquire any voting rights of the Company if the Offeror or persons acting in concert with it would thereby become obliged under Rule 26 of the Takeovers Code to make an offer, in each case except with the consent of the Executive.

DESPATCH OF SCHEME DOCUMENT

The Scheme Document containing, among others: (i) further details of the Proposal, the Scheme, and the Perpetual CB Securities Offer; (ii) the expected timetable in relation to the Proposal, the Scheme and the Perpetual CB Securities Offer; (iii) an explanatory memorandum as required under the Companies Act and the rules of the Grand Court; (iv) information regarding the Company; (v) recommendations from the Independent Board Committee with respect to the Proposal, the Scheme and the Perpetual CB Securities Offer, and the letter of advice from the Independent Financial Adviser; (vi) a property valuation report of the Group; and (vii) a notice of the Court Meeting and a notice of an extraordinary general meeting of the Company, together with forms of proxy in relation thereto, will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, the Companies Act, the Grand Court and other applicable laws and regulations.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on Thursday, 17 October 2024 pending the release of this joint announcement.

An 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 Tuesday, 29 October 2024.

Warning: Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and the Perpetual CB Securities is conditional upon the Scheme becoming effective, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

NOTICE TO OVERSEAS SHAREHOLDERS AND PERPETUAL CB SECURITIES HOLDERS

This joint announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of applicable law. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details of how to vote on the Proposal. Any acceptance, approval, rejection or other response to the Proposal should be made only on the basis of information in the Scheme Document or any other document by which the Proposal is made.

The availability of the Proposal to persons who are not resident in Hong Kong may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not so resident in Hong Kong should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas Shareholders will be contained in the Scheme Document. Persons who are not resident in Hong Kong should consult their professional advisors if in doubt.

NOTICE TO U.S. INVESTORS

The Proposal is being made to cancel the securities of a company incorporated in the Cayman Islands by means of a scheme of arrangement provided for under the laws of the Cayman Islands and is subject to applicable Cayman Islands and Hong Kong disclosure requirements and practices which are different from those of the United States.

A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules of the U.S. Securities Exchange Act of 1934, as amended. Accordingly, the Proposal is subject to the disclosure requirements and practices applicable in the Cayman Islands and Hong Kong to schemes of arrangement and securities offer, which differ from the disclosure and procedural requirements applicable under the U.S. federal securities laws.

The receipt of cash pursuant to the Proposal by a U.S. holder of Scheme Shares as consideration for the cancellation of his/her/its Scheme Shares pursuant to the Scheme or by a U.S. Perpetual CB Securities Holder as consideration for the transfer of its Perpetual CB Securities may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other tax laws. Each holder of Scheme Shares or Perpetual CB Securities Holder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Proposal applicable to him/her/it.

It may be difficult for a U.S. holder of Scheme Shares or Perpetual CB Securities to enforce his/her/its rights and claims arising out of the U.S. federal securities laws, since the Offeror and the Company are located in a country other than the United States, and some or all of their respective officers and directors may be residents of a country other than the United States. A U.S. holder of Scheme Shares

or Perpetual CB Securities may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgement.

INTRODUCTION

On 16 October 2024 (after trading hours), the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act involving the cancellation of the Scheme Shares and, in consideration thereof, the payment to the Scheme Shareholders of the Cancellation Price in cash for each Scheme Share, and the withdrawal of the listing of the Shares on the Stock Exchange.

In accordance with Rule 13 of the Takeovers Code, the Offeror will make (or procure to be made on its behalf) the Perpetual CB Securities Offer to the Perpetual CB Securities Holders to acquire all the outstanding Perpetual CB Securities as at the Effective Date. The Perpetual CB Securities Offer will be conditional upon the Scheme becoming effective.

If the Scheme is approved and becomes effective and is implemented and the Perpetual CB Securities Offer is accepted by the Perpetual CB Securities Holders in full and becomes unconditional:

- (a) all the Scheme Shares held by the Scheme Shareholders will, on the Effective Date, be cancelled and extinguished in exchange for the payment of the Cancellation Price of HK\$0.85 per Scheme Share to each Scheme Shareholder by the Offeror;
- (b) contemporaneously with such cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be maintained at the amount prior to the cancellation and extinguishment of the Scheme Shares by the allotment and issuance at par to the Offeror, credited as fully paid, of the aggregate number of Shares as is equal to the number of Scheme Shares cancelled; the reserve created in the Company's books of account as a result of the cancellation and extinguishment of the Scheme Shares will be applied in paying up in full at par the new Shares so issued, credited as fully paid, to the Offeror;
- (c) all the outstanding Perpetual CB Securities held by the Perpetual CB Securities Holders will be acquired fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them as at the Effective Date or subsequently becoming attached to them, including the right to receive in full all PCBS Fixed Interests and/or PCBS Variable Interests, if any, the record date of which is on or after the Effective Date, pursuant to the terms and conditions of the Perpetual CB Securities Offer;
- (d) all the issued Shares and Perpetual CB Securities will be indirectly wholly-owned by Capital Group, the ultimate parent company of the Offeror; and
- (e) subject to the obtaining of the approval from the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange pursuant to Rule 6.15(2) of the Listing Rules, the listing of the Shares will be withdrawn subject to and after the Scheme becomes effective.

No offer will be made by the Offeror for the outstanding Class A Convertible Preference Shares and Class B Convertible Preference Shares of the Company under Rule 14 of the Takeovers Code, as all of the issued Class A Convertible Preference Shares and the issued Class B Convertible Preference Shares are held by the Offeror as at the Announcement Date.

The Offeror has appointed CICC as its financial adviser in connection with the Proposal.

TERMS OF THE PROPOSAL

The Scheme

The Scheme will provide that all of the Scheme Shares will be cancelled in exchange for the Cancellation Price of HK\$0.85 in cash for each Scheme Share.

If, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror will reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital, in which case any reference in this joint announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced (and the offer price of the Perpetual CB Securities Offer shall be reduced accordingly). As at the Announcement Date, the Company has no declared but unpaid dividends and/or other distribution and/or other return of capital. In addition, the Company has confirmed that it does not intend to announce, declare or pay any dividend, distribution or other return of capital before the Effective Date or the lapse, withdrawal or termination of the Scheme (whichever is earlier).

The Cancellation Price and the offer price under the Perpetual CB Securities Offer will not be increased, and the Offeror does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price or the offer price under the Perpetual CB Securities Offer.

Comparison of Value

The Cancellation Price of HK\$0.85 per Scheme Share in cash represents:

- a premium of approximately 46.55% over the closing price of HK\$0.58 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 54.55% over the average closing price of HK\$0.55 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;

- a premium of approximately 41.75% over the average closing price of approximately HK\$0.60 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 47.85% over the average closing price of approximately HK\$0.57 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day; and
- a premium of approximately 65.44% over the average closing price of approximately HK\$0.51 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day.

Highest and Lowest Prices

During the six-month period immediately up to and including the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.680 on 26 August 2024, 27 August 2024, 28 August 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.114 on 2 May 2024.

Conditions of the Proposal and the Scheme

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Scheme Shareholders, subject to the fulfilment or waiver (as applicable) of the following Conditions:

- (a) the approval of the Scheme (by way of poll) by the Scheme Shareholders, representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting;
- (b) the Scheme is approved (by way of poll) by Disinterested Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by Disinterested Shareholders that are voted either in person or by proxy at the Court Meeting, provided that the number of votes cast (by way of poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by all Disinterested Shareholders;
- (c) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at an extraordinary general meeting of the Company to (i) approve and give effect to any reduction of the share capital of the Company on the Effective Date as a result of the cancellation and extinguishment of the Scheme Shares; and (ii) contemporaneously therewith maintain the issued share capital of the Company at the amount prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation and extinguishment of the Scheme Shares to pay up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled as a result of the Scheme, credited as fully paid at par, for issuance to the Offeror;

- (d) the Grand Court's sanction of the Scheme (with or without modifications) and, to the extent necessary, its confirmation of any reduction of the share capital of the Company, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of, and minutes approved by, the Grand Court for registration;
- (e) compliance, to the extent necessary, with the applicable procedural requirements and conditions, if any, under Sections 15 and 16 of the Companies Act in relation to any reduction of the issued share capital of the Company;
- (f) all necessary authorisations, registrations, filings, rulings, consents, opinions, permissions and approvals in connection with the Proposal having been obtained from, given by or made with (as the case may be) the Relevant Authorities, in the Cayman Islands, Hong Kong and any other relevant jurisdictions;
- (g) all necessary authorisations, registrations, filings, rulings, consents, opinions, permissions and approvals in connection with the Proposal remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any Relevant Authorities which is not expressly provided for, or is in addition to requirements expressly provided for, in relevant laws, rules, regulations or codes in connection with the Proposal or any matters, documents (including circulars) or things relating thereto, in each aforesaid case up to and at the time when the Scheme becomes effective;
- (h) all necessary consents which may be required for the implementation of the Proposal and the Scheme under any existing contractual obligations of the Company having been obtained or waived by the relevant party(ies), where any failure to obtain such consent or waiver would have a material adverse effect on the business of the Group;
- (i) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order that would make the Proposal or the Scheme or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms), other than such actions, proceedings, suits, investigations or enquiries as would not have a material adverse effect on the legal ability of the Offeror to proceed with the Proposal or the Scheme; and
- (j) since the Announcement Date, there having been no adverse change in the business, assets, prospects, profits, losses, results of operations, financial position or condition of the Group (to an extent which is material in the context of the Group taken as a whole or in the context of the Proposal or the Scheme).

The Offeror reserves the right to waive conditions (f), (g), (h), (i) and (j) either in whole or in part, either generally or in respect of any particular matter. Conditions (a) to (e) cannot be waived in any event. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Proposal if the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal. The Company has no right to waive any of the Conditions.

All of the above Conditions will have to be fulfilled or waived, as applicable, on or before the Conditions Long Stop Date, failing which the Proposal and the Scheme will lapse. As at the Announcement Date, none of the Conditions have been satisfied or (if applicable) waived.

In respect of Conditions (f) and (g), as at the Announcement Date, other than (i) the Conditions (a) to (e) (inclusive) as set out above; (ii) the requisite approval under the applicable PRC state-owned asset regulations in respect of the Proposal, which has been obtained as at the date of this joint announcement; and (iii) the approval by the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange, the Offeror is not aware of any necessary authorisations, registrations, filings, rulings, consents, opinions, permissions and approvals required for the Proposal.

The Perpetual CB Securities Offer will be conditional upon the Scheme becoming effective. Details of the Perpetual CB Securities Offer are set out in the section headed “The Perpetual CB Securities Offer” below.

Warning: Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and the Perpetual CB Securities is conditional upon the Scheme becoming effective, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

THE PERPETUAL CB SECURITIES OFFER

On 28 December 2016, the Company issued the Perpetual CB Securities. As at the Announcement Date, Perpetual CB Securities in the aggregate principal amount of HK\$855,821,549 remains outstanding, which can be converted into an aggregate of 407,534,071 Shares based on the conversion price of the Perpetual CB Securities as at the Announcement Date of HK\$2.10 per Share.

The Offeror will make (or procure to be made on its behalf) the Perpetual CB Securities Offer to the Perpetual CB Securities Holders in accordance with Rule 13 of the Takeovers Code to acquire all the outstanding Perpetual CB Securities which remain outstanding and have not otherwise been redeemed and/or converted into Shares pursuant to the conversion rights thereunder as at the Effective Date. The Perpetual CB Securities Offer is conditional upon the Scheme becoming effective.

In accordance with Practice Note 6 to the Takeovers Code, the offer price under the Perpetual CB Securities Offer is HK\$0.40476190476 for every HK\$1 face value of the Perpetual CB Securities, being the “see-through” consideration for each Perpetual CB Securities with a face value of HK\$1 (i.e. being approximately 0.476190 Share for every HK\$1 face value at the prevailing conversion price of HK\$2.10 per Share, multiplied by the Cancellation Price per Scheme Share), and the total Perpetual CB Securities Offer is valued at HK\$346,403,960, which is calculated by multiplying the number of Shares into which the Perpetual CB Securities are convertible into (being an aggregate of 407,534,071 Shares for all the outstanding Perpetual CB Securities at the conversion price of HK\$2.10 per Share, each as at the Announcement Date) by the Cancellation Price per Scheme Share.

The offer price under the Perpetual CB Securities Offer will not be increased, and the Offeror does not reserve the right to do so. 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 under the Perpetual CB Securities Offer.

Pursuant to the terms and conditions of the Perpetual CB Securities, holders of the Perpetual CB Securities shall be entitled to (i) simple interest on the outstanding principal amount of the Perpetual CB Securities at a rate equal to 0.01% per annum on a non-cumulative basis payable annually in arrear in cash (the “**PCBS Fixed Interest**”) and (ii) additional variable interest in the event that any dividend or distribution is paid by the Company to be calculated based on an aggregate amount of such dividend or distribution per Share multiplied by the aggregate number of Shares into which the Perpetual CB Securities then outstanding may be converted into (the “**PCBS Variable Interest**”).

The Perpetual CB Securities to be acquired under the Perpetual CB Securities Offer shall be fully paid and shall be acquired free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them as at the Effective Date or subsequently becoming attached to them, including the right to receive in full all PCBS Fixed Interests (subject to the right of the Company to defer such payment in accordance with the terms of the Perpetual CB Securities) and/or PCBS Variable Interests, if any, the record date of which is on or after the Effective Date.

If, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid, the Offeror will reduce the offer price under the Perpetual CB Securities Offer by all or any part of the amount or value of the PCBS Variable Interests arising out of such dividend, distribution and/or, as the case may be, return of capital, in which case any reference in this joint announcement, the Scheme Document or any other announcement or document to the offer price under the Perpetual CB Securities Offer will be deemed to be a reference to the offer price under the Perpetual CB Securities Offer as so reduced.

If any Perpetual CB Securities Holders exercise the conversion rights in accordance with the terms and conditions of the Perpetual CB Securities and become Shareholders on or before the Record Date, any Shares so issued will be subject to and eligible to participate in the Scheme.

No fraction of a cent will be payable under the Scheme and the Perpetual CB Securities Offer, and the amount of any cash consideration payable to a Scheme Shareholder under the Scheme or an accepting Perpetual CB Securities Holder under the Perpetual CB Securities Offer will be rounded up to the nearest cent.

ENTERING INTO OF UNICHOW IRREVOCABLE UNDERTAKING

On 28 October 2024, Unichow entered into the Unichow Irrevocable Undertaking in favour of the Offeror, pursuant to which Unichow undertook to convert all the Perpetual CB Securities held by it into Shares and to vote in favour of resolutions in relation to the implementation of the Scheme in respect of the Unichow Undertaking Shares.

Pursuant to the Unichow Irrevocable Undertaking, Unichow has unconditionally and irrevocably undertaken that, amongst others, subject to the terms and conditions of the Unichow Irrevocable Undertaking:

- (a) it will convert all the Perpetual CB Securities held by it at such time into Shares on or before 15 clear business days after the date of the Unichow Irrevocable Undertaking;
- (b) it will vote in favour or procure the voting in favour of any resolutions in connection with the approval of the Scheme at the Court Meeting and any resolutions in connection with the implementation of the Proposal and/or the Scheme in accordance with the terms and conditions of this joint announcement and the Scheme Document at the extraordinary general meeting of the Company to be convened in respect of (i) any Shares which it may obtain through the conversion of the Perpetual CB Securities in accordance with the terms and conditions of the Perpetual CB Securities and the Unichow Irrevocable Undertaking; and (ii) any other Shares which is directly or indirectly held by Unichow ((i) to (ii) collectively, the “**Unichow Undertaking Shares**”);
- (c) it will vote against or procure the voting against of any resolutions which: (i) may reasonably be expected to restrict, prohibit or delay the implementation of the Proposal and/or the Scheme; or (ii) are for the purpose of approving, implementing or giving effect to any other acquisition of Shares, Perpetual CB Securities or assets of the Company by any persons other than the Offeror or any proposal for the privatisation or withdrawal of listing of the Company other than by the Offeror (unless such acquisition or proposal provides for a higher purchase price for the Shares and the Perpetual CB Securities than that under the Proposal) in respect of the Unichow Undertaking Shares;

- (d) prior to the Record Date, to the extent Unichow holds any Perpetual CB Securities, it will accept the Perpetual CB Securities Offer in respect of any Perpetual CB Securities held by it as at the Record Date, and it will not withdraw such acceptance unless permitted under the Takeovers Code or in the event of a higher competing offer made for the Shares and the Perpetual CB Securities by any person other than the Offeror;
- (e) it will not: (i) acquire or permit any entity which Unichow directly or indirectly holds any interest in to acquire all or any part of the Shares and/or Perpetual CB Securities, or to enter into any agreement or arrangement for such actions; (ii) accept or undertake to accept, exercise the voting rights in any Shares to approve, accept or approve in respect of any Perpetual CB Securities, or agree or accept in any other form any offer, scheme of arrangement or any business combination made by any person other than the Offeror (except where such offer, scheme of arrangement or business combination provides for a higher purchase price than that under the Proposal); or (iii) make, take, or permit to be made or taken any representation or action which are or may be prejudicial to the success of the Proposal, or which may delay or disrupt the implementation of the Proposal or which may lead to inability to implement the Proposal or to implement the Proposal as soon as practicable (unless otherwise required by any competent authority); and
- (f) it will not: (i) deal in the securities of the Company (other than any conversion of the Perpetual CB Securities into Shares as permitted under the Unichow Irrevocable Undertaking); (ii) directly or indirectly, sell, transfer, offer or agree to sell, charge, mortgage, pledge, create or grant any option, warrants or purchase rights over or otherwise dispose of or create encumbrances over any Shares or securities of the Company and the rights attached to it; (iii) enter into any swap or other arrangements that transfers the interest or consequences of the ownership of the Shares, the Perpetual CB Securities or any other securities of the Company; (iv) enter into, offer, agree or announce any agreement, contract, transaction or undertaking having the same effect as any transaction described in (i) to (iii) of this paragraph (f).

As at the Announcement Date, Unichow holds Perpetual CB Securities in the principal amount of HK\$198,227,289 which are convertible into 94,393,947 Shares (equivalent to approximately 8.13% of the enlarged total issued share capital of the Company based on 1,067,190,302 Shares in issue as at the Announcement Date as enlarged by such conversion only or approximately 21.43% of the enlarged issued share capital of the Company held by the Disinterested Shareholders based on 346,036,456 Shares held by the Disinterested Shareholders as at the Announcement Date as enlarged by such conversion only). Details of the shareholding structure of the Company immediately upon the conversion of the Perpetual CB Securities held by Unichow into Shares, assuming there is no other change in shareholding of the Company between the Announcement Date up to and including the date of such conversion, are set out in the section headed “Shareholding Structure of the Company” below.

The Unichow Irrevocable Undertaking shall terminate upon the announcement by the Offeror and/or the Company in respect of any of the following events: (i) the Conditions are not satisfied or (if applicable) waived on or before the Conditions Long Stop Date; (ii) the Scheme is not approved at the Court Meeting, or the requisite approval for the Proposal not having been obtained at the extraordinary general meeting of the Company; (iii) the Scheme is not sanctioned by the Grand Court; or (iv) the Proposal otherwise lapses or is withdrawn.

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Announcement Date, the authorised share capital of the Company is HK\$200,000,000 divided into 18,355,918,048 Shares, 738,130,482 Class A Convertible Preference Shares and 905,951,470 Class B Convertible Preference Shares, and the Company has 1,067,190,302 Shares, 166,976,636 Class A Convertible Preference Shares and 905,951,470 Class B Convertible Preference Shares in issue. In addition, as set out above, as at the Announcement Date, the Company has in issue Perpetual CB Securities in the aggregate principal amount of HK\$855,821,549 which are convertible into an aggregate of 407,534,071 Shares. Save as disclosed above, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue.

As at the Announcement Date, the Offeror holds 701,353,846 Shares (representing approximately 65.72% of the issued share capital of the Company) and the Offeror and the Offeror Concert Parties hold in aggregate 721,153,846 Shares (representing approximately 67.57% of the issued share capital of the Company). As at the Announcement Date, the Scheme Shares, comprising 346,036,456 Shares, represent approximately 32.43% of the issued share capital of the Company.

The table below sets out the shareholding structure of the Company (i) as at the Announcement Date; (ii) immediately upon the conversion of all the Perpetual CB Securities held by Unichow in accordance with the Unichow Irrevocable Undertaking, assuming there is no other change in shareholding of the Company between the Announcement Date up to and including the date of such conversion; and (iii) immediately upon completion of the Proposal, assuming that only all the Perpetual CB Securities held by Unichow are converted into Shares in accordance with the Unichow Irrevocable Undertaking, none of the other Perpetual CB Securities are exercised and converted into Shares, and there is no other change in shareholding of the Company before the Effective Date:

	As at the Announcement Date		Immediately upon the conversion of the Perpetual CB Securities held by Unichow into Shares		Immediately upon the completion of the Proposal	
	<i>Number of Shares</i>	<i>Approximate percentage of total issued share capital (%)</i>	<i>Number of Shares</i>	<i>Approximate percentage of total issued share capital (%)</i>	<i>Number of Shares</i>	<i>Approximate percentage of total issued share capital (%)</i>
Shareholders						
Offeror and Offeror Concert Parties						
Offeror (<i>Note 1</i>)	701,353,846	65.72	701,353,846	60.38	1,141,784,249	98.30
BCG Chinastar (<i>Note 2</i>)	19,800,000	1.86	19,800,000	1.70	19,800,000	1.70
Sub-total of Offeror and Offeror Concert Parties (<i>Note 3</i>)	721,153,846	67.57	721,153,846	62.08	1,161,584,249	100
Disinterested Shareholders						
Smart Win (<i>Note 4</i>)	95,192,308	8.92	95,192,308	8.20	—	—
Unichow (<i>Note 5</i>)	—	—	94,393,947	8.13	—	—
Other Disinterested Shareholders	250,844,148	23.51	250,844,148	21.60	—	—
Sub-total of Disinterested Shareholders	346,036,456	32.43	440,430,403	37.92	—	—
Total number of Scheme Shares (<i>Note 6</i>)	346,036,456	32.43	440,430,403	37.92	—	—
Total number of Shares	<u>1,067,190,302</u>	<u>100</u>	<u>1,161,584,249</u>	<u>100</u>	<u>1,161,584,249</u>	<u>100</u>

Notes:

- (1) As at the Announcement Date, in addition to the holdings in the Shares as set out above, the Offeror holds 166,976,636 Class A Convertible Preference Shares which are convertible into 166,976,636 Shares and 905,951,470 Class B Convertible Preference Shares which are convertible into 905,951,470 Shares.
- (2) BCG Chinastar is a wholly-owned subsidiary of Capital Group and a fellow subsidiary of the Offeror.
- (3) CICC is the financial adviser to the Offeror in connection with the Proposal. Accordingly, CICC and relevant members of the CICC group which hold Shares on an own account or discretionary managed basis are presumed to be acting in concert with the Offeror in relation to the Company in respect of shareholdings of the CICC group in the Company in accordance with class (5) of the definition of “acting in concert” under the Takeovers Code (except in respect of the

Shares held by members of the CICC group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code). Exempt principal traders and exempt fund managers which are connected for the sole reason that they control, are controlled by or are under the same control as CICC are not presumed to be acting in concert with the Offeror. However:

- (a) Shares held by any member of the CICC group acting in the capacity of an exempt principal trader will not be voted at the Court Meeting or the extraordinary general meeting of the Company in accordance with the requirements under Rule 35.4 of the Takeovers Code unless otherwise confirmed with the Executive; and
- (b) Shares held by such exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the Court Meeting and the extraordinary general meeting of the Company if: (i) such member of the CICC group holds the relevant Shares as a simple custodian for and on behalf of non-discretionary clients; (ii) there are contractual arrangements in place between such member of the CICC group and such non-discretionary client that strictly prohibit such member of the CICC group from exercising any voting discretion over such Shares; (iii) all voting instructions shall originate from such non-discretionary client only (if no instructions are given, then no votes shall be cast for such Shares held by such member of the CICC group); and (iv) such non-discretionary client is entitled to vote at the Court Meeting and the extraordinary general meeting of the Company.

Details of holdings, borrowings or lendings of, and dealings in, the Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company held by or entered into by members of the CICC group (except in respect of Shares held by exempt principal traders or exempt fund managers or Shares held on behalf of non-discretionary investment clients of the CICC group), if any, will be obtained as soon as possible after the Announcement Date in accordance with Note 1 to Rule 3.5 of the Takeovers Code. A further announcement will be made by the Offeror and the Company if the holdings, borrowings, lendings, or dealings of the members of the CICC group are significant and in any event, such information will be disclosed in the Scheme Document. The statements in this joint announcement as to the holdings, borrowings or lendings of, or dealings in, the Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company by the Offeror Concert Parties are subject to the holdings, borrowings, lendings, or dealings (if any) of members of the CICC group. Any dealings in the relevant securities of the Company by the CICC group (excluding dealings by the CICC group members who are exempt principal traders or exempt fund managers or dealings by the CICC group members for the account of non-discretionary investment clients of the CICC group) during the six months prior to the Announcement Date and the commencement of the offer period (as defined under the Takeovers Code) to the latest practicable date prior to the despatch of the Scheme Document will be disclosed in the Scheme Document and pursuant to Rule 22 of the Takeovers Code.

- (4) As at the Announcement Date, in addition to the holdings in the Shares as set out above, Smart Win also holds Perpetual CB Securities in the principal amount of HK\$657,594,260 which are convertible into 313,140,124 Shares based on the conversion price of HK\$2.10 per Share as at the Announcement Date. Based on two disclosure of filing forms dated 10 October 2024, Mr. So Man Chun and Mr. Wan Hiu Yeung have been appointed as the joint and several receivers of the entire issued share capital of Smart Win. Based on the information available to the Offeror as at the Announcement Date, the joint and several receivers of the entire issued share capital of Smart Win are entitled to control the exercise of the voting rights in the Shares held by Smart Win through director(s) of Smart Win nominated by the joint and several receivers (subject to such directors' duties) as at the Announcement Date.
- (5) As at the Announcement Date, Unichow holds Perpetual CB Securities in the principal amount of HK\$198,227,289 which are convertible into 94,393,947 Shares based on the conversion price of HK\$2.10 per Share as at the Announcement Date.

- (6) All Shares other than those shares held by the Offeror and BCG Chinastar will form part of the Scheme Shares.
- (7) The percentages are subject to rounding adjustments and may not add up to 100%.

FINANCIAL RESOURCES

The Offeror has appointed CICC as its financial adviser in connection with the Proposal.

On the assumption that (i) other than the Perpetual CB Securities held by Unichow which will be converted into 94,393,947 new Scheme Shares in accordance with the Unichow Irrevocable Undertaking, none of the other Perpetual CB Securities are converted into Shares on or before the Effective Date; (ii) the Perpetual CB Securities Offer are accepted by the Perpetual CB Securities Holder(s) other than Unichow; and (iii) there are no other change in the issued share capital of the Company from the Announcement Date up to and including the Effective Date, the Proposal will involve (i) the cancellation of 440,430,403 Scheme Shares in exchange for HK\$0.85 per Scheme Share in cash and (ii) the acquisition of Perpetual CB Securities in the aggregate principal amount of HK\$657,594,260 at the offer price of HK\$0.40476190476 for every HK\$1 face value of the Perpetual CB Securities in cash, and the maximum cash consideration payable for the Scheme and the Perpetual CB Securities Offer is approximately HK\$640,534,948.

On the assumption that (i) all of the Perpetual CB Securities are converted into Shares on or before the Record Date; and (ii) there are no other change in the issued share capital of the Company from the Announcement Date up to and including the Effective Date, the Proposal will involve the cancellation of 753,570,527 Scheme Shares in exchange for HK\$0.85 per Scheme Share in cash, and the maximum cash consideration payable for the Scheme is approximately HK\$640,534,948.

The payment of the total consideration under the Scheme and the Perpetual CB Securities Offer will be financed by the internal financial resources and/or external financing.

CICC, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for satisfying its payment obligations in respect of the cash consideration payable under the Proposal.

INDEPENDENT BOARD COMMITTEE

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee which comprises all the non-executive Directors who have no direct or indirect interest in the Proposal other than as a Shareholder, namely Mr. Zhai Senlin, Mr. Yeung Chi Tat, Dr. Huang Wei and Mr. Xu Weiguo, has been established by the Board to make a recommendation, after taking into account the advice and recommendation from the Independent Financial Adviser (i) to the Disinterested Shareholders as to whether the Proposal and the Scheme are, or are not, fair and reasonable and as to voting at the Court Meeting and the extraordinary general meeting of the Company and (ii) to the Perpetual CB Securities Holders as to whether the Perpetual CB Securities Offer is, or is not, fair and reasonable and whether

to accept the Perpetual CB Securities Offer. As each of Mr. Wang Hao and Ms. Qin Yi (each being a non-executive Director) holds certain positions in Capital Group and/or BCCDG (the parent companies of the Offeror), Mr. Wang Hao and Ms. Qin Yi do not form part of the Independent Board Committee.

INDEPENDENT FINANCIAL ADVISER

The Board, with the approval of the Independent Board Committee, has appointed Rainbow Capital (HK) Limited as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal, the Scheme and the Perpetual CB Securities Offer pursuant to Rule 2.1 of the Takeovers Code.

REASONS FOR AND BENEFITS OF THE PROPOSAL

Benefits of the Proposal to the Scheme Shareholders

An attractive opportunity for Scheme Shareholders to realize their investment in the Shares, given the low trading liquidity

The average daily trading volume of the Shares for the 12-month period, 24-month period and 36-month period up to and including the Last Trading Day were approximately 2.87 million, 1.44 million and 0.96 million Shares per day, representing only approximately 0.27%, 0.13% and 0.09% of the total number of the Shares as at the Announcement Date respectively.

The low trading liquidity of the Shares could make it difficult for Scheme Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares. As such, the Proposal presents an immediate opportunity for Scheme Shareholders to monetize their investments for cash and redeploy the consideration received under the Scheme into other investment opportunities.

The Cancellation Price represents a compelling premium over the current market price

The Proposal allows an exit for the Scheme Shareholders at a compelling premium to the current market price. The Cancellation Price represents a significant premium of approximately 46.55% over the closing price of the Shares on the Last Trading Day of HK\$0.58 and 41.75% and 65.44% over the average closing price of approximately HK\$0.60 and HK\$0.51 per Share for the 30 and 90 trading days up to and including the Last Trading Day, respectively.

Benefits of the Proposal to the Offeror and the Company

Limited benefits in maintaining the Company's listing status and cost savings through privatization

Due to the long-term underperformance in the trading prices and trading liquidity of the Shares, the Company lacks the ability to raise funds through equity financing while having to continue to incur various costs associated with the maintenance its listing status. Therefore, there is limited benefits for the Company to maintain its listing status. Upon privatization, the listing of the Shares will be withdrawn from the Stock Exchange, which will result in savings of costs associated with the maintenance of listing status.

Promoting the Company's business by receiving more resource support and opportunities for long-term development

The Group's principal business, which involves the development, operation, and management of outlet-backed commercial integrated projects, is inherently capital-intensive. Currently, the Company has a relatively high debt-to-asset ratio. The maintenance of the listing status of the Company presents further challenges for the Company to secure equity financings taking into account the applicable requirements under the Listing Rules, which in turn hindered the Company's business development. Following the implementation of the Proposal, the Company is expected to be able to more efficiently utilise the support from Capital Group and BCCDG, both key state-owned enterprises wholly owned by the State-owned Supervision and Administration Commission of Beijing, which will in turn significantly enhance business synergy and resource integration within Capital Group.

Avoid the mismatch between short-term financial performance pressure and long-term business growth and benefits, enhancing the company's core competitiveness

As a listed company, the Company pays significant attention on short-term financial performance and shareholder returns, which limits its ability to implement strategies that may adversely impact short-term financial performance but are beneficial for long-term business transformations. Following the implementation of the Proposal, the Company would be able to concentrate more on business development and to focus on enhancing its long-term core competitiveness.

INFORMATION ON THE COMPANY

The Company was incorporated in the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange (stock code: 1329). The Company is an investment holding company and the Group is principally engaged in commercial property development and management, with a focus on the development, operation and management of outlets-backed commercial integrated projects and non-outlets retail property projects in the PRC.

Set out below is the unaudited consolidated financial information of the Group for the six months ended 30 June 2024 as extracted from the interim report of the Company for the six months ended 30 June 2024 and the audited consolidated financial information of the Group as extracted from the annual reports of the Company for the years ended 31 December 2022 and 2023 respectively, prepared in accordance with the Hong Kong Financial Reporting Standards:

	For the six months ended 30 June 2024 (RMB'000) (unaudited)	For the year ended 31 December 2023 (RMB'000) (audited)	For the year ended 31 December 2022 (RMB'000) (audited)
Total assets	17,309,641	17,931,241	19,810,293
Revenue	746,386	2,123,739	935,898
Profit/(Loss) for the year/period	(148,705)	13,761	(393,269)

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in Hong Kong with limited liability. As at the Announcement Date, the Offeror directly holds approximately 65.72% of the issued share capital of the Company and is indirectly wholly-owned by BCCDG which is in turn wholly-owned by Capital Group. Capital Group is in turn under the direct supervision of the People's Government of Beijing Municipality. The principal business of the Offeror is investment holding.

WITHDRAWAL OF LISTING OF SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and any share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules which will take effect after the Scheme becomes effective.

The Scheme Shareholders will be notified by way of an announcement of the exact date of the last day for dealing in the Shares and on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. A detailed timetable of the Scheme will be included in the Scheme Document, which will also contain, *inter alia*, further details of the Scheme.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

The Scheme will lapse if any of the Conditions has not been satisfied or waived, as applicable, on or before the Conditions Long Stop Date, and in such case the Perpetual CB Securities Offer will not become unconditional. The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective or the Proposal otherwise lapses.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with the Offeror in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, (i) announce an offer or possible offer for the Company, or (ii) acquire any voting rights of the Company if the Offeror or persons acting in concert with it would thereby become obliged under Rule 26 of the Takeovers Code to make an offer, in each case except with the consent of the Executive.

OVERSEAS SHAREHOLDERS

The making and implementation of the Proposal to Scheme Shareholders and the Perpetual CB Securities Offer to Perpetual CB Securities Holders who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions in which such Scheme Shareholders and Perpetual CB Securities Holders are located. Such Scheme Shareholders and Perpetual CB Securities Holders should inform themselves about and observe any applicable legal, tax or regulatory requirements.

It is the responsibility of any overseas Scheme Shareholders and Perpetual CB Securities Holders wishing to take any action in relation to the Proposal and/or the Perpetual CB Securities Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction.

Any acceptance by the Scheme Shareholders and Perpetual CB Securities Holder will be deemed to constitute a representation and warranty from such persons to the Offeror and the Company and their respective advisers (including CICC) that those laws and regulatory requirements have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

In the event that the despatch of the Scheme Document to overseas Scheme Shareholders or overseas Perpetual CB Securities Holders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of the Offeror or the Company regard as unduly onerous or burdensome (or otherwise not in the best interests of the Offeror or the Company or their respective shareholders), the Scheme Document may not be despatched to such overseas Scheme Shareholders or overseas Perpetual CB Securities Holders. For such purpose, the Offeror and/or Company will apply for a waiver pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Scheme Document to such overseas Scheme Shareholders or overseas Perpetual CB Securities Holders. In granting the waiver, the Executive will be concerned to see that all material information in the Scheme Document is made available to such Scheme Shareholders or overseas Perpetual CB Securities Holders, as the case may be.

TAXATION ADVICE

Scheme Shareholders and Perpetual CB Securities Holders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of the Proposal and/or the Perpetual CB Securities Offer. It is emphasised that none of the Offeror, the Offeror Concert Parties, the Company and CICC or any of their respective directors, officers or associates or any other person involved in the Proposal accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Proposal or the Perpetual CB Securities Offer.

SCHEME SHARES, COURT MEETING AND EXTRAORDINARY GENERAL MEETING OF THE COMPANY

As the Shares held by the Offeror and BCG Chinastar will not form part of the Scheme Shares, each of the Offeror and BCG Chinastar will not vote on the Scheme at the Court Meeting. All Scheme Shareholders whose names appear on the register of members of the Company as at the meeting record date will be entitled to attend and vote at the Court Meeting, provided that only Disinterested Shareholders will be counted for the purpose of determining whether the requirements under Condition (b) of the section headed “Conditions of the Proposal and the Scheme” above are satisfied.

The Offeror and BCG Chinastar will undertake to the Grand Court that each of them will be bound by the Scheme and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable for the purpose of giving effect to the Scheme.

All Shareholders will be entitled to attend the extraordinary general meeting of the Company and vote on the special resolution to: (i) approve and give effect to any reduction of the share capital of the Company as a result of the cancellation and extinguishment of the Scheme Shares; and (ii) contemporaneously therewith maintain the issued share capital of the Company at the amount prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation and extinguishment of the Scheme Shares to pay up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled as a result of the Scheme, credited as fully paid at par, for issuance to the Offeror.

The Offeror and BCG Chinastar have indicated that if the Scheme is approved at the Court Meeting, those Shares held by them will be voted in favour of the resolutions to be proposed at the extraordinary general meeting of the Company in relation to: (i) approve and give effect to any reduction of the share capital of the Company as a result of the cancellation and extinguishment of the Scheme Shares; and (ii) contemporaneously therewith maintain the issued share capital of the Company at the amount prior to the cancellation and extinguishment of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled as a result of the Scheme, credited as fully paid at par, for issuance to the Offeror.

COSTS OF THE SCHEME

If the Independent Board Committee or the Independent Financial Adviser does not recommend the Proposal, and the Scheme is not approved, all expenses incurred by the Company in connection therewith shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code.

GENERAL

The Directors (excluding members of the Independent Board Committee whose views will be given after considering the advice of the Independent Financial Adviser) believe that the Proposal, the Scheme and the Perpetual CB Securities Offer are fair and reasonable and in the interests of the Shareholders as a whole.

The Scheme Shareholders and the Perpetual CB Securities Holders are reminded to carefully read the Scheme Document, the letter of advice from the Independent Financial Adviser and the letter from the Independent Board Committee to the Disinterested Shareholders and Perpetual CB Securities Holders contained therein before making a decision.

As at the Announcement Date:

- (a) save as disclosed in the section headed “Shareholding Structure of the Company” above, neither the Offeror nor any Offeror Concert Party owns, controls or has direction over any Shares, convertible securities, warrants or options in the Company;
- (b) neither the Offeror nor any Offeror Concert Party has entered into any outstanding derivative in respect of the securities in the Company;
- (c) neither the Offeror nor any Offeror Concert Party has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;
- (d) other than the Unichow Irrevocable Undertaking, no irrevocable commitment to vote for or against the Scheme, or to accept or not accept the Perpetual CB Securities Offer, has been received by the Offeror or the Offeror Concert Parties;
- (e) other than the Unichow Irrevocable Undertaking, there are no arrangements (whether by way of option, indemnity or otherwise) of the 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 Proposal;
- (f) other than the Unichow Irrevocable Undertaking, there are no agreements or arrangements to which the Offeror is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a Condition to the Proposal;
- (g) other than the Cancellation Price for each Scheme Share payable under the Scheme and the offer price for the Perpetual CB Securities payable under the Perpetual CB Securities Offer, the Offeror or the Offeror Concert Parties have not paid and will not pay any other consideration,

compensation or benefit in whatever form to the Scheme Shareholders or persons acting in concert with them in connection with the cancellation of the Scheme Shares or the acquisition of the Perpetual CB Securities under the Perpetual CB Securities Offer; and

- (h) there is no understanding, arrangement or agreement which constitutes special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder; and (ii) (x) the Offeror and the Offeror Concert Parties, or (y) the Company or the Company's subsidiaries or associated companies.

DESPATCH OF SCHEME DOCUMENT

The Scheme Document containing, among others: (i) further details of the Proposal, the Scheme, and the Perpetual CB Securities Offer; (ii) the expected timetable in relation to the Proposal, the Scheme and the Perpetual CB Securities Offer; (iii) an explanatory memorandum as required under the Companies Act and the rules of the Grand Court; (iv) information regarding the Company; (v) recommendations from the Independent Board Committee with respect to the Proposal, the Scheme and the Perpetual CB Securities Offer, and the letter of advice from the Independent Financial Adviser; (vi) a property valuation report of the Group; and (vii) a notice of the Court Meeting and a notice of an extraordinary general meeting of the Company, together with forms of proxy in relation thereto, will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, the Companies Act, the Grand Court and other applicable laws and regulations.

The Scheme Document will contain important information and the Scheme Shareholders and the Perpetual CB Securities Holders are urged to carefully read the Scheme Document containing such disclosures before casting any vote at (or providing any proxy in respect of) the Court Meeting or the extraordinary general meeting of the Company or making any decisions as to the Perpetual CB Securities Offer.

DISCLOSURE OF DEALINGS

Associates of the Offeror and the Company (as defined in the Takeovers Code, including shareholders holding 5% or more of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company) are hereby reminded to disclose their dealings in any securities of the Company in accordance with Rule 22 of the Takeovers Code during the offer period.

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

“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.”

PRECAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

This joint announcement includes certain “forward-looking statements”. These statements are based on the current expectations of the management of the Offeror and/or the Company (as the case may be) and are naturally subject to uncertainty and changes in circumstances. The forward-looking statements contained in this joint announcement include statements about the expected effects on the Company of the Proposal, the expected timing and scope of the Proposal, and all other statements in this joint announcement other than historical facts.

Forward-looking statements include, without limitation, statements typically containing words such as “intends”, “expects”, “anticipates”, “targets”, “estimates”, “envisages” and words of similar import. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction of the conditions to the Proposal, as well as additional factors, such as general, social, economic and political conditions in the countries in which the Offeror and/or the Group operate or other countries which have an impact on the Offeror and/or the Group’s business activities or investments, interest rates, the monetary and interest rate policies of the countries in which the Offeror and/or the Group operate, inflation or deflation, foreign exchange rates, the performance of the financial markets in the countries in which the Offeror and/or Group operate and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environments in the countries in which the Offeror and/or Group operate and regional or general changes in asset valuations. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.

All written and oral forward-looking statements attributable to the Offeror, the Company or persons acting on behalf of any of them are expressly qualified in their entirety by the cautionary statements above. The forward-looking statements included herein are made only as of the Announcement Date.

Shareholders will be informed of any new material information of the Company as soon as possible in accordance with Rule 9.1 of the Takeovers Code.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on Thursday, 17 October 2024 pending the release of this joint announcement.

An 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 Tuesday, 29 October 2024.

DEFINITIONS

Unless the context requires otherwise, the following expressions shall have the following meanings in this joint announcement:

“acting in concert”	has the meaning given to it under the Takeovers Code
“Announcement Date”	28 October 2024, being the date of this joint announcement
“associate(s)”	has the meaning given to it under the Takeovers Code
“BCCDG”	Beijing Capital City Development Group Co., Ltd.* (北京首創城市發展集團有限公司), a company incorporated in the PRC with limited liability, the parent company of the Offeror and a wholly-owned subsidiary of Capital Group
“BCG Chinastar”	BCG Chinastar International Investment Limited (首創華星國際投資有限公司), a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of Capital Group and a fellow subsidiary of the Offeror
“Board”	the board of Directors
“Cancellation Price”	the cancellation price of HK\$0.85 per Scheme Share payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme
“Capital Group”	Beijing Capital Group Co., Ltd* (北京首都創業集團有限公司), a state-owned enterprise under the direct supervision of the People’s Government of Beijing Municipality, which indirectly holds 100% of the issued shares of the Offeror
“CICC”	China International Capital Corporation Hong Kong Securities Limited, the financial adviser to the Offeror in connection with the Proposal. CICC is a licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO

“Class A Convertible Preference Share(s)”	the class A limited-voting non-redeemable convertible preference shares of par value HK\$0.01 each in issue in the share capital of the Company
“Class B Convertible Preference Share(s)”	the class B limited-voting non-redeemable convertible preference shares of par value HK\$0.01 each in issue in the share capital of the Company
“Companies Act”	the Companies Act (2023 Revision) of the Cayman Islands, as consolidated and revised from time to time
“Company”	Beijing Capital Grand Limited (首創鉅大有限公司), a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange (Stock Code: 1329)
“Conditions”	the conditions to the implementation of the Proposal as set out in the section headed “Conditions of the Proposal” of this joint announcement
“Conditions Long Stop Date”	28 July 2025, being the date which is 9 months after the Announcement Date, or such later date as the Offeror may in its sole discretion determine, or to the extent applicable, as the Grand Court may direct, in each case as permitted by the Executive
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
“Director(s)”	the director(s) of the Company
“Disinterested Shareholders”	Shareholders other than the Offeror and the Offeror Concert Parties
“Effective Date”	the date on which the Scheme becomes effective in accordance with and subject to its terms and conditions and the Companies Act
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegates of the Executive Director
“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries
“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 board committee of the Company, comprising Mr. Zhai Senlin, Mr. Yeung Chi Tat, Dr. Huang Wei and Mr. Xu Weiguo, formed for the purpose of making a recommendation to the Disinterested Shareholders in respect of the Proposal and the Scheme and to the Perpetual CB Securities Holders in respect of the Perpetual CB Securities Offer
“Independent Financial Adviser”	Rainbow Capital (HK) 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 by the Board with the approval of the Independent Board Committee to advise the Independent Board Committee in connection with the Proposal, the Scheme and the Perpetual CB Securities Offer
“Last Trading Day”	16 October 2024, being the last trading day prior to the trading suspension of the Company on 17 October 2024 pending the issue of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Offeror”	BECL Investment Holding Limited (首置投資控股有限公司), a company incorporated in Hong Kong with limited liability, which is wholly-owned by BCCDG
“Offeror Concert Parties”	parties acting in concert with the Offeror, BCCDG and Capital Group (which, for the avoidance of doubt, except any exempt principal traders or any exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code)
“PCBS Fixed Interest”	has the meaning given to it under the section headed “The Perpetual CB Securities Offer” in this joint announcement
“PCBS Variable Interest”	has the meaning given to it under the section headed “The Perpetual CB Securities Offer” in this joint announcement
“Perpetual CB Securities”	the perpetual convertible bond securities issued by the Company on 28 December 2016 with an outstanding aggregate principal amount of HK\$855,821,549, which are held by Smart Win and Unichow as at the Announcement Date
“Perpetual CB Securities Holders”	holders of the Perpetual CB Securities

“Perpetual CB Securities Offer”	the conditional cash offer to be made by or on behalf of the Offeror to the Perpetual CB Securities Holders to acquire all of the outstanding Perpetual CB Securities in accordance with the Takeovers Code and the terms to be set out in the Scheme Document
“PRC”	the People’s Republic of China
“Proposal”	the proposal for the privatisation of the Company and the withdrawal of listing of the Shares on the Stock Exchange by the Offeror by way of the Scheme and the Perpetual CB Securities Offer, in each case, on the terms and subject to the conditions set out in this joint announcement and to be set out in the Scheme Document
“Record Date”	The appropriate record date to be announced for determining entitlements of the Scheme Shareholders under the Scheme
“Relevant Authorities”	any supranational, national, federal, state, regional, provincial, municipal, local or other government, governmental, quasi-governmental, legal, regulatory or administrative authority, department, branch, agency, commission, bureau or body (including any securities or stock exchange) or any court, tribunal, or judicial or arbitral body
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme”	the scheme of arrangement between the Company and the Scheme Shareholders under Section 86 of the Companies Act involving the cancellation of all the Scheme Shares and the contemporaneous restoration of the number of issued Shares in the share capital of the Company to the number prior to the cancellation of the Scheme Shares, with or subject to any modification, addition or condition approved or imposed by the Grand Court or agreed between the Company and the Offeror
“Scheme Document”	the composite scheme document of the Company and the Offeror to be issued to all Shareholders and Perpetual CB Securities Holders containing, <i>inter alia</i> , further details of the Proposal together with the additional information specified in the section of this joint announcement headed “Despatch of Scheme Document” above
“Scheme Share(s)”	all of the Shares in issue and any further Shares as may be issued prior to the Record Date, other than those held by the Offeror and BCG Chinastar
“Scheme Shareholder(s)”	the registered holder(s) of the Scheme Share(s)

“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)”	the ordinary share(s) of par value HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“Smart Win”	Smart Win Group Limited, a company incorporated in the British Virgin Islands with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers published by the SFC, as amended, supplemented or otherwise modified from time to time
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities
“Unichow”	Unichow Capital Co., Ltd., a company incorporated in the British Virgin Islands
“Unichow Irrevocable Undertaking”	the irrevocable undertaking dated 28 October 2024 given by Unichow in favour of the Offeror, the principal terms of which are described in the paragraph headed “Unichow Irrevocable Undertaking” in this joint announcement
“U.S.”	the United States of America
“%”	per cent.

* *for identification purposes only*

By Order of the board
BECL Investment Holding Limited
Pei Jun
Sole Director

By Order of the Board
Beijing Capital Grand Limited
Xie Hongyi
Executive Director

Beijing, the PRC, 28 October 2024

As at the Announcement Date, the sole director of the Offeror is Mr. Pei Jun.

The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this joint announcement (other than the information relating to the Group) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) 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 Announcement Date, the directors of BCCDG comprise Mr. Liu Yongzheng, Ms. Sun Baojie, Mr. Deng Wenbin, Mr. Xu Zhuo, Mr. Yu Xuekui, Ms. Qin Yi, Mr. Mu Zhibin, Mr. Huang Ziquan and Mr. Fan Shubin.

The directors of BCCDG jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) 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 Announcement Date, the Board comprises Mr. Fan Shubin (Chairman) and Mr. Xie Hongyi (Chief Executive Officer) as executive Directors; Mr. Wang Hao, Ms. Qin Yi and Mr. Zhai Senlin as non-executive Directors; and Mr. Yeung Chi Tat, Dr. Huang Wei and Mr. Xu Weiguo as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement (other than the information relating to the Offeror), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the sole director of the Offeror) 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.


各方于首页文首所载日期签署**本契据**，并作为契据交付，以昭信守。

作为契据)
签字、盖章及交付)
吴育伟)
经授权)
代表)
Smart Win Group Limited)




_____ 董事签名
吴育伟 _____ 董事姓名

见证人：


_____ 见证人签名
赖家俊 _____ 见证人姓名
香港中環太子大廈22樓 _____ 见证人地址

會計師 _____ 见证人职务