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TRIGIANT
— 俊知集團 —

Trigiant Investments Limited

(Incorporated in British Virgin Islands with limited liability)

Trigiant Group Limited

俊知集團有限公司*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 1300)

JOINT ANNOUNCEMENT

**(1) PROPOSED PRIVATISATION OF
TRIGIANT GROUP LIMITED
BY
TRIGIANT INVESTMENTS LIMITED
BY WAY OF
A SCHEME OF ARRANGEMENT
UNDER SECTION 86 OF
THE COMPANIES ACT OF THE CAYMAN ISLANDS**

**(2) PROPOSED WITHDRAWAL OF LISTING OF
TRIGIANT GROUP LIMITED**

(3) ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE

AND

**(4) RESUMPTION OF TRADING IN SHARES OF
TRIGIANT GROUP LIMITED**

Financial Adviser to the Offeror



First Shanghai Capital Limited

INTRODUCTION

The respective directors of the Offeror and the Company jointly announce that on 29 June 2023, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act involving (i) the cancellation and extinguishment of the Scheme Shares and, in consideration therefor, the payment to the Scheme Shareholders either in cash or in share consideration for each Scheme Share cancelled; and (ii) the restoration of the issued share capital of the Company to the amount immediately before the cancellation and extinguishment of the Scheme Shares by the allotment and issuance of new Shares in the same number as the number of Scheme Shares (which were cancelled and extinguished) to the Holdco credited as fully paid at par out of the credit arising in the Company's books of account as a result of the issued share capital reduction referred to in (i) above; and (iii) the withdrawal of the listing of the Shares on the Stock Exchange.

TERMS OF THE PROPOSAL

The Proposal will be implemented by way of the Scheme. The Scheme will provide that, if it becomes effective, the Scheme Shares will be cancelled in exchange for either:

- (a) the Cash Alternative: cash of HK\$0.5 for every Scheme Share; or
- (b) the Share Alternative: one Holdco Share for every Scheme Share held.

The Scheme Shareholders may elect either the Cash Alternative or the Share Alternative or a combination of both as the form of Offer Consideration in respect of their entire holdings of the Scheme Shares. Scheme Shareholders who do not make any election will be deemed to have elected to receive their entitlement under the Cash Alternative subject to the Proposal being unconditional in all respects. Any Shareholder returning the form of election (a) opting both to receive the Cash Alternative and the Share Alternative but has failed to indicate an allocation of its Scheme Shares between the Cash Alternative and the Share Alternative which corresponds to the total number of its Scheme Shares; or (b) does not make an election for the Cash Alternative and/or the Share Alternative in respect of all of its Scheme Shares; or (c) opting for the Share Alternative (whether in whole or in part) but has failed to submit all applicable KYC Documents or such additional evidence or documents as may be required by the Holdco or is otherwise prevented from becoming a registered holder of shares of the Holdco by any applicable legal or regulatory reason such as being subject to any applicable international sanctions, will be treated for the purposes of the election as opting to receive the Cash Alternative in respect of all the Scheme Shares registered in its name. The Holdco Shares to be issued under the Share Alternative will be issued free from all encumbrances and credited as fully-paid.

The Cash Alternative

The cash consideration of HK\$0.5 per Scheme Share under the Cash Alternative represents:

- a premium of approximately 31.6% over the closing price of HK\$0.38 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 34.0% over the average closing price of approximately HK\$0.373 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 28.9% over the average closing price of approximately HK\$0.388 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 25.3% over the average closing price of approximately HK\$0.399 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;
- a premium of approximately 25.0% over the average closing price of approximately HK\$0.400 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;
- a premium of approximately 23.8% over the average closing price of approximately HK\$0.404 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- a premium of approximately 21.7% over the average closing price of approximately HK\$0.411 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day; and
- a discount of approximately 77.3% to the audited net asset value per Share of approximately HK\$2.206 as at 31 December 2022, based on the audited net assets of the Group as stated in the audited consolidated statement of financial position of the Company included in its annual report for the year ended 31 December 2022, the exchange rate of HK\$1.00 to RMB0.897 and 1,791,500,000 Shares in issue as at the Announcement Date.

The Share Alternative

The Offeror is a company incorporated in the British Virgin Islands with limited liability on 22 November 2010 and registered in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) on 12 September 2019. The Holdco is a company newly incorporated in the British Virgin Islands with limited liability on 10 May 2023 and wholly owned by the Offeror. The Holdco Shares are shares of an unlisted company in the British Virgin Islands, being an investment holding company. As at the Announcement Date, the Holdco is wholly-owned by the Offeror, which in turn is wholly-owned by Abraholme International and ultimately beneficially owned by Mr. Qian, the single largest Shareholder, an executive Director and the chairman of the Company. Mr. Qian is the sole director of each of the Holdco, the Offeror and Abraholme International.

On or before the Effective Date, the Holdco will subdivide the one share with a par value of US\$1 each held by the Offeror into 100,000,000 shares with a par value of US\$0.00000001 each and allot 357,842,000 new shares at par value to the Offeror, mirroring the total number of Scheme Shares (other than those who have executed the Irrevocable Undertakings), upon which the Offeror shall hold 457,842,000 shares of the Holdco. Pursuant to the Scheme, the Holdco will allot such number of Holdco Shares to each Scheme Shareholder validly electing the Share Alternative equal to the number of Scheme Shares rendered by it for election of the Share Alternative under the Scheme within seven business days after the later of (i) the Effective Date and (ii) the date on which the Scheme Shareholder validly elects the Share Alternative and the relevant documents of title in respect of such election are received by the Offeror (or its agent). The deadline for election will be set out in the Scheme Document. The Holdco will repurchase such number of Holdco Shares (if any) held by the Offeror at par value upon the Effective Date equal to the number of Scheme Shares rendered by the Scheme Shareholders (other than those who have executed the Irrevocable Undertakings) validly electing the Share Alternative. After such repurchase, the Holdco will be held by (i) the Offeror as to such number of Holdco Shares mirroring the number of Scheme Shares rendered by the Scheme Shareholders who validly elect the Cash Alternative; and (ii) the Scheme Shareholders as to such number of Holdco Shares mirroring the number of Scheme Shares rendered by the Scheme Shareholders who validly elect the Share Alternative.

Assuming all Scheme Shareholders choose the Share Alternative, upon the completion of the Proposal, the Company will be held as to 29.22% by the Offeror and 70.78% by the Holdco which in turn will be held as to 26.81% by Easy Beauty, 4.07% by Neala Holdings, 2.97% by Atrium Noble, 23.10% by Eternal Asia, 3.79% by Power Maker, 3.15% by Polka Dots, 0.33% by Mr. Cui, 0.32% by Mr. Jiang and 35.46% by the other public shareholders.

Assuming all Scheme Shareholders that have executed the Irrevocable Undertakings choose the Share Alternative and the other Scheme Shareholders choose the Cash Alternative, upon the completion of the Proposal and the Scheme, the Company will be held as to 29.22% by the Offeror and 70.78% by the Holdco which in turn will be held as to 36.11% by the Offeror, 26.81% by Easy Beauty, 4.07% by Neala Holdings, 2.97% by Atrium Noble, 23.10% by Eternal Asia, 3.79% by Power Maker and 3.15% by Polka Dots.

Upon the Effective Date and after the withdrawal of listing of the Shares, the Offeror will transfer 523,521,750 Shares to the Holdco and as a consideration the Holdco will allot 523,521,750 Holdco Shares to the Offeror. As a result, the Company will become a wholly owned subsidiary of the Holdco, which will be held as to approximately 54.78% by the Offeror, 18.98% by Easy Beauty, 2.88% by Neala Holdings, 2.10% by Atrium Noble, 16.35% by Eternal Asia, 2.68% by Power Maker and 2.23% by Polka Dots, assuming all Scheme Shareholders who have executed the Irrevocable Undertakings choose the Share Alternative and the other Scheme Shareholders choose the Cash Alternative.

Immediately after the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be contemporaneously restored to the amount prior to the cancellation and extinguishment of the Scheme Shares by allotting and issuing to the Holdco the same number of new Shares, credited as fully paid, as the number of Scheme Shares cancelled and extinguished. The credit arising in the books of accounts of the Company as a result of the capital reduction will be applied in paying up in full at par the new Shares so allotted and issued, credited as fully paid, to the Holdco.

The Proposal and the Scheme are conditional upon the fulfilment or waiver (as applicable) of the Conditions as described in the section headed “Conditions of the Proposal and the Scheme” below. All Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, otherwise the Proposal and the Scheme will lapse.

FINANCIAL RESOURCES

On the assumption that no other Shares are issued before the Record Date, and on the basis of (a) the cash consideration under the Cash Alternative of HK\$0.5 per Scheme Share; (b) the Irrevocable Undertakings from Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots, in aggregate beneficially holding 810,136,250 Scheme Shares representing approximately 45.22% of the total issued share capital of the Company, undertaking not to elect the Cash Alternative but to elect the Share Alternative; and (c) the Board has exercised its discretion by passing resolutions in board meeting that the Board will not grant share options available under the existing scheme mandate of the Share Option Scheme, 457,842,000 Scheme Shares will be subject to the Cash Alternative and the amount of cash required to implement the Proposal would be HK\$228,921,000.

The Offeror is financing the entire cash consideration under the Proposal from its internal cash resources.

First Shanghai Capital Limited, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for the full implementation of the Proposal in accordance with their respective terms.

IRREVOCABLE UNDERTAKINGS

As at the Announcement Date:

- (a) Easy Beauty beneficially holds 340,000,000 Shares, representing approximately 18.98% of the issued share capital of the Company;
- (b) Eternal Asia beneficially holds 292,876,000 Shares, representing approximately 16.35% of the issued share capital of the Company;
- (c) Neala Holdings beneficially holds 51,591,330 Shares, representing approximately 2.88% of the issued share capital of the Company;
- (d) Atrium Noble beneficially holds 37,668,920 Shares, representing approximately 2.10% of the issued share capital of the Company;
- (e) Power Maker beneficially holds 48,000,000 Shares, representing approximately 2.68% of the issued share capital of the Company; and
- (f) Polka Dots beneficially holds 40,000,000 Shares, representing approximately 2.23% of the issued share capital of the Company.

On 15 May 2023, (1) Easy Beauty and Eternal Asia (as supplemented by a supplemental undertaking dated 21 June 2023) respectively, and (2) Neala Holdings and Atrium Noble respectively, entered into the Irrevocable Undertakings with the Offeror in favour of the Offeror, and on 22 May 2023, Power Maker and Polka Dots respectively (as supplemented by a supplemental undertaking dated 21 June 2023) entered into the Irrevocable Undertakings with the Offeror in favour of the Offeror, pursuant to which each of Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots:

- (A) unconditionally and irrevocably agrees and undertakes that (i) it will vote for (if entitled to vote) the Proposal in respect of all its Shares as soon as possible and irrevocably undertakes that it will not withdraw such vote; and (ii) it will not select the Cash Alternative, but will select the Share Alternative, which such shares are the shares of a company controlled by the Offeror and such number of shares mirroring its shareholdings in the Company;
- (B) unconditionally and irrevocably agrees and undertakes that during the period from the date of this irrevocable undertaking to the date of the completion of the Proposal (both dates inclusive), each of Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots will support the delisting arrangement of the Company (including, amongst others, to vote (if entitled to vote) in favour of any resolution(s) in relation to the delisting arrangement of the Company in the general meeting(s) of the Company if so permitted by the relevant regulators) and each of Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots will not, whether directly or indirectly, take any action which will preclude, prejudice, restrict or delay the successful outcome of the Proposal and the delisting of the Company or otherwise conflict with or diminish its obligations thereunder; and
- (C) save as to supporting of the Proposal in accordance with the terms of the irrevocable undertaking, confirms, agrees and undertakes that it has not and will not, prior to and including the date of the completion of the Proposal:
 - (1) save as what has been disclosed to the Offeror (if applicable), offer, sell, give, transfer, pledge, encumber, charge, or grant any right over or otherwise dispose of or deal with any of the its Shares or any interest therein;
 - (2) enter into any swap or other arrangement that transfers to another party in whole or in part any of the legal, beneficial or economic consequences attached to the Shares held by it;

- (3) solicit or enter into discussions regarding any proposal or offer by any third party for the Shares or other class of shares of the Company or any proposal or offer so made for a merger, scheme of arrangement, exchange offer, consolidation, partnership, joint venture or other business combination involving the Company, or for any purchase of all or any material part of the assets of the Company and its subsidiary undertakings (other than in the ordinary course of existing business transactions) or other similar transaction that may preclude, prejudice, restrict or delay the successful outcome of the Proposal and delisting of the Company from the Stock Exchange;
- (4) save as what has been disclosed to the Offeror (if applicable), subject any of its Shares to any encumbrance as described under (C)(1) above; or
- (5) enter into any agreement with a view to effecting any of the foregoing.

The Offeror confirmed that nothing has come to their attention which may render any of Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots unable to perform or adhere to the Irrevocable Undertaking (as the case may be). The Offeror further confirmed that they are not aware of any circumstance which may preclude any of Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots from performing the Irrevocable Undertaking under the Proposal, and that the Shares held by these undertaking shareholders will remain in their hands and there is no chance whereby any of these Shares will be transferred or disposed in any way to other third parties prior to the completion of the Proposal.

Each of the Irrevocable Undertakings respectively entered into by Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots will be terminated and cease to be binding immediately upon the Proposal having been withdrawn, lapsed or closed.

Eternal Asia is a direct wholly owned subsidiary of Shenzhen Eternal Asia Supply Chain Company Limited* (深圳市怡亞通供應鏈股份有限公司) and ultimately controlled by State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government, which is an Independent Third Party. Easy Beauty, Neala Holdings and Atrium Noble are Offeror Concert Parties. Power Maker and Polka Dots are directly wholly owned by Mr. Cui and Mr. Jiang, respectively, both Independent Third Parties. Although Power Maker's beneficial owner and director, Mr. Cui, and Polka Dots's beneficial owner and director, Mr. Jiang, are Independent Third Parties, given each of Power Maker and Polka Dots acquired their respective shareholding in the Company from Easy Beauty (which is a party acting in concert with the Offeror) on 30 March 2023 and the considerations have not been settled as at the Announcement Date, such deferred payment arrangements constitute financial assistance provided to each of Power Maker and Polka Dots by Easy Beauty whereby Power Maker and Polka Dots are regarded as acting in concert with the Offeror in relation to the Company accordingly pursuant to the Takeovers Code. Each of Power Maker, Polka Dots, Mr. Cui and Mr. Jiang is therefore also an Offeror Concert Party.

WITHDRAWAL OF LISTING OF SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and extinguished (with the equivalent number of new Shares being issued and credited as fully paid to the Holdco) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, with effect from the Effective Date.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Proposal will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under Rule 31.1 of the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it 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 announce an offer or possible offer for the Company, except with the consent of the Executive.

ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising the independent non-executive Directors, namely Professor Jin Xiaofeng, Mr. Chan Fan Shing and Mr. Zhao Huanqi, has been established by the Board to make a recommendation to the Scheme Shareholders as to whether the terms of the Proposal and the Scheme are, or are not, fair and reasonable and as to voting.

As the non-executive Director, Mr. Zhang Dongjie, is a deputy general manager of the sole shareholder of Eternal Asia, Shenzhen Eternal Asia Supply Chain Company Limited* (深圳市怡亞通供應鏈股份有限公司) and that Eternal Asia has entered into the Irrevocable Undertaking with the Offeror, Mr. Zhang will not be a member of the Independent Board Committee accordingly.

The Independent Financial Adviser will be appointed by the Independent Board Committee in due course to advise the Independent Board Committee in relation to the Proposal. An announcement will be made by the Company as soon as possible after the appointment of the Independent Financial Adviser.

DESPATCH OF THE SCHEME DOCUMENT

The Scheme Document containing, among other things, further details of the Proposal and the Scheme, the expected timetable, an explanatory memorandum as required under the Companies Act and the Rules of the Grand Court, information regarding the Company, the recommendations from the Independent Board Committee with respect to the Proposal, and the letter of advice of the Independent Financial Adviser to the Independent Board Committee, a notice of the Court Meeting and a notice of the EGM, 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 and the Grand Court, and other applicable laws and regulations.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 1:00 p.m. on Monday, 22 May 2023, pending the issuance 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 Friday, 30 June 2023.

WARNINGS

Shareholders and potential investors of the Company should be aware that the implementation of the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented.

Shareholders and potential investors of the Company 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. 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 election 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 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.

INTRODUCTION

The respective directors of the Offeror and the Company jointly announce that on 29 June 2023, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act.

If the Proposal is approved and implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for either the Cash Alternative or the Share Alternative or a combination of both;
- (b) the issued share capital of the Company will, on the Effective Date, be reduced by cancelling and extinguishing the Scheme Shares. Upon such reduction, the issued share capital of the Company will be contemporaneously restored to the amount prior to the cancellation and extinguishment of the Scheme Shares by allotting and issuing to the Holdco the same number of new Shares, credited as fully paid, as the number of Scheme Shares cancelled and extinguished. The credit arising in the books of accounts of the Company as a result of the capital reduction will be applied in paying up in full value the new Shares so allotted and issued, credited as fully paid, to Holdco; and

- (c) the Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules and such withdrawal is expected to take place with effect from the Effective Date.

As at the Announcement Date, (a) there are 1,791,500,000 Shares in issue; (b) the Offeror owns 523,521,750 Shares, representing approximately 29.22% of the issued share capital of the Company; and (c) the Offeror Concert Parties, in aggregate own 525,468,250 Shares, representing approximately 29.33% of the issued share capital of the Company. Save for these 1,048,990,000 Shares referred to above, the Offeror and the Offeror Concert Parties are not interested in Shares as at the Announcement Date. Save for the Shares, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) outstanding as at the Announcement Date.

TERMS OF THE PROPOSAL

Under the Scheme, the Scheme Shares will be cancelled in exchange for either:

the Cash Alternative: cash of HK\$0.5 for every Scheme Share held; or

the Share Alternative: one Holdco Share for every Scheme Share held

The Scheme Shareholders may elect either the Cash Alternative or the Share Alternative or a combination of both as the form of Offer Consideration in respect of their entire holdings of Scheme Shares. Scheme Shareholders who do not make any election will be deemed to have elected to receive their entitlement under the Cash Alternative subject to the Proposal becoming unconditional in all respects. Any Shareholder returning the form of election (a) opting both to receive the Cash Alternative and the Share Alternative but has failed to indicate an allocation of its Scheme Shares between the Cash Alternative and the Share Alternative which corresponds to the total number of its Scheme Shares; or (b) does not make an election for the Cash Alternative and/or the Share Alternative in respect of all of its Scheme Shares; or (c) opting for the Share Alternative (whether in whole or in part) but has failed to submit all applicable KYC Documents or such additional evidence or documents as may be required by the Holdco or is otherwise prevented from becoming a registered holder of shares of the Holdco by any applicable legal or regulatory reason such as being subject to any applicable international sanctions, will be treated for the purposes of the election as opting to receive the Cash Alternative in respect of all the Scheme Shares registered in its name.

For the purpose of ensuring accuracy of the registered ownership of the Holdco Shares and satisfying compliance requirements applicable to shareholders of a company incorporated in the British Virgin Islands, a Scheme Shareholder may opt for the Share Alternative only in respect of such of its Scheme Shares as are registered in its own name on the register of members of the Company maintained by the Company's share registrar. Accordingly, where a Scheme Shareholder is holding all or part of its

Scheme Shares via CCASS and wishes to opt for the Share Alternative in respect of any of such Scheme Shares, such Shareholder must instruct its securities dealer/custodian banks to withdraw the relevant Scheme Shares from CCASS and arrange for the transfer of the relevant Scheme Shares into its own name as soon as possible before the relevant deadline for election. If such Shareholder does not arrange to have the relevant Scheme Shares withdrawn from CCASS and transferred in its name as mentioned above, such Shareholder will only receive the Cash Alternative in respect of the relevant Scheme Shares.

Again, for the purpose of ensuring accuracy of the registered ownership of the Holdco Shares and satisfying compliance requirements applicable to shareholders of a company incorporated in the British Virgin Islands, a Shareholder opting for the Share Alternative in respect of any of its Scheme Shares registered in its name on the register of members of the Company must, in addition to a duly completed and executed form of election and the certificate(s) for the Scheme Shares being rendered, also lodge the following KYC Documents to comply with the relevant anti-money laundering requirements of the British Virgin Islands (which shall be in English or accompanied by an English translation which is certified by a translator qualified to translate such foreign language into English as a true translation): (a) if the registered Shareholder is an individual, he/she must provide a certified true copy (certified as a true copy by a solicitor, a certified public accountant or a chartered secretary) of each of (i) his/her valid Hong Kong Identity Card or passport; and (ii) proof of his/her residential address (which shall be issued within the last three months of the date of the election); or (b) if the registered Shareholder is a corporation, it must provide a certified true copy (certified as a true copy by a solicitor, a certified public accountant or a chartered secretary) of each of (i) its certificate of incorporation; (ii) its registration certificate (where applicable); (iii) its constitutional document; (iv) its register of members (or equivalent); (v) its register of directors (or equivalent); (vi) its address proof; (vii) its organization chart (showing up to its ultimate beneficial owners holding 10% shareholding or more and any intermediate holding companies); (viii) for any of the intermediate holding companies as mentioned in item (b)(vii) above, items (b)(i) to (b)(vi) above of such intermediate holding company; and (ix) items (a) (i) to (a)(ii) above of each of its ultimate beneficial owners. The Holdco and the Company reserve the discretion to request additional evidence or documents as may be required for the purpose of complying with the relevant anti-money laundering requirements of the British Virgin Islands.

Immediately after the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be contemporaneously restored to the amount prior to the cancellation and extinguishment of the Scheme Shares by allotting and issuing to the Holdco the same number of new Shares, credited as fully paid, as the number of Scheme Shares cancelled and extinguished. The credit arising in the books of accounts of the Company as a result of the capital reduction will be applied in paying up in full at par the new Shares so allotted and issued, credited as fully paid, to the Holdco.

If, after the Announcement Date any dividend or other distribution is made, declared or paid in respect of the Scheme Shares, the cash consideration under the Cash Alternative will be reduced by an amount equal to the amount of such dividend or other distribution. The Company confirms that as at the Announcement Date, (a) it has not declared any dividend which has not been paid; and (b) it does not have any intention to make, declare or pay any future dividend or make other distributions until after the implementation or lapse of the Scheme.

No fractions of a cent will be payable and the amount of cash consideration payable to the Scheme Shareholders who have elected the Cash Alternative will be rounded down to the nearest cent.

The Cash Alternative

The cash consideration of HK\$0.5 per Scheme Share under the Cash Alternative represents:

- a premium of approximately 31.6% over the closing price of HK\$0.38 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 34.0% over the average closing price of approximately HK\$0.373 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 28.9% over the average closing price of approximately HK\$0.388 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 25.3% over the average closing price of approximately HK\$0.399 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;
- a premium of approximately 25.0% over the average closing price of approximately HK\$0.400 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;
- a premium of approximately 23.8% over the average closing price of approximately HK\$0.404 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- a premium of approximately 21.7% over the average closing price of approximately HK\$0.411 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day; and

- a discount of approximately 77.3% to the audited net asset value per Share of approximately HK\$2.206 as at 31 December 2022, based on the audited net assets of the Group as stated in the audited consolidated statement of financial position of the Company included in its annual report for the year ended 31 December 2022, the exchange rate of HK\$1.00 to RMB0.897 and 1,791,500,000 Shares in issue as at the Announcement Date.

The cash consideration under the Cash Alternative has been determined on a commercial basis after taking into account the prices of the Shares traded on the Stock Exchange and with reference to other privatisation transactions in Hong Kong in recent years.

Highest and lowest prices

During the six-month period ended on and including the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.48 on 7 March 2023 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.365 on 17 May 2023.

The Share Alternative

The Offeror is a company incorporated in the British Virgin Islands with limited liability on 22 November 2010 and registered in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) on 12 September 2019. The Holdco is a company newly incorporated in the British Virgin Islands with limited liability on 10 May 2023 and wholly owned by the Offeror. As at the Announcement Date, the Holdco is authorized to issue a maximum of 50,000 shares each with a par value of US\$1 each. The Holdco Shares are shares of an unlisted company in the British Virgin Islands, being an investment holding company. As at the Announcement Date, the Holdco is wholly-owned by the Offeror, which in turn is wholly-owned by Abraholme International and ultimately beneficially owned by Mr. Qian, the single largest Shareholder, an executive Director and the chairman of the Company. Mr. Qian is the sole director of each of the Holdco, the Offeror and Abraholme International.

On or before the Effective Date, the Holdco will subdivide the one share with a par value of US\$1 each held by the Offeror into 100,000,000 shares with a par value of US\$0.00000001 each and allot 357,842,000 new shares at par value to the Offeror mirroring the total number of Scheme Shares (other than those who have executed the Irrevocable Undertakings), upon which the Offeror shall hold 457,842,000 shares of the Holdco. Pursuant to the Scheme, the Holdco will allot such number of Holdco Shares to each Scheme Shareholder validly electing the Share Alternative equal to the number of Scheme Shares rendered by it for election of the Share Alternative under the Scheme within seven business days after the later of (i) the Effective Date and (ii) the date on which the Scheme Shareholder validly elects the Share Alternative and the relevant documents of title in respect of such election are received by the Offeror (or its agent). The deadline for

election will be set out in the Scheme Document. The Holdco will repurchase such number of Holdco Shares (if any) held by the Offeror at par value upon the Effective Date equal to the number of Scheme Shares rendered by the Scheme Shareholders (other than those who have executed the Irrevocable Undertakings) validly electing the Share Alternative. After such repurchase, the Holdco will be held by (i) the Offeror as to such number of Holdco Shares mirroring the number of Scheme Shares rendered by the Scheme Shareholders who validly elect the Cash Alternative; and (ii) the Scheme Shareholders as to such number of Holdco Shares mirroring the number of Scheme Shares rendered by the Scheme Shareholders who validly elect the Share Alternative.

Assuming all Scheme Shareholders choose the Share Alternative, upon the completion of the Proposal, the Company will be held as to 29.22% by the Offeror and 70.78% by the Holdco which in turn will be held as to 26.81% by Easy Beauty, 4.07% by Neala Holdings, 2.97% by Atrium Noble, 23.10% by Eternal Asia, 3.79% by Power Maker, 3.15% by Polka Dots, 0.33% by Mr. Cui, 0.32% by Mr. Jiang and 35.46% by the other public shareholders.

Assuming all Scheme Shareholders that have executed the Irrevocable Undertakings choose the Share Alternative and the other Scheme Shareholders choose the Cash Alternative, upon the completion of the Proposal and the Scheme, the Company will be held as to 29.22% by the Offeror and 70.78% by the Holdco which in turn will be held as to 36.11% by the Offeror, 26.81% by Easy Beauty, 4.07% by Neala Holdings, 2.97% by Atrium Noble, 23.10% by Eternal Asia, 3.79% by Power Maker and 3.15% by Polka Dots.

Upon the Effective Date and after the withdrawal of listing of the Shares, the Offeror will transfer 523,521,750 Shares to the Holdco and as a consideration the Holdco will allot 523,521,750 Holdco Shares to the Offeror. As a result, the Company will become a wholly owned subsidiary of the Holdco, which will be held as to approximately 54.78% by the Offeror, 18.98% by Easy Beauty, 2.88% by Neala Holdings, 2.10% by Atrium Noble, 16.35% by Eternal Asia, 2.68% by Power Maker and 2.23% by Polka Dots, assuming all Scheme Shareholders who have executed the Irrevocable Undertakings choose the Share Alternative and the other Scheme Shareholders choose the Cash Alternative.

The Share Alternative, which is subject to the conditions mentioned below, offers an opportunity for the existing Shareholders to retain indirect interest in the Company after withdrawal of listing of the Shares from the Stock Exchange. Any Scheme Shareholder who elects to receive the Share Alternative will retain indirectly through his shareholding in the Holdco the same proportional interest in the Company as such Shareholder held immediately before the implementation of the Scheme of Arrangement. The Holdco Shares to be issued under the Share Alternative will be issued free from all encumbrances and credited as fully-paid.

The Shareholders should note that the Holdco is a company newly incorporated in the British Virgin Islands on 10 May 2023 and the holders of Holdco Shares (including those Shareholders who will be allotted and issued Holdco Shares under the Share

Alternative) will enjoy such voting, dividend and liquidation rights and benefits attaching to the Holdco Shares (being the ordinary shares of the Holdco ranking pari passu with the shares held or to be held by the Offeror in the Holdco) as afforded under the relevant laws of the British Virgin Islands and the memorandum and articles of association of the Holdco. Upon the Effective Date and after the withdrawal of the listing of the Shares, the Company will become a wholly owned subsidiary of the Holdco and, other than that, the Holdco will not own any other assets or owe any liabilities. Given that there is no intention to seek a listing of the Holdco Shares on any stock exchange, the Holdco Shares will be relatively illiquid and the holders of Holdco Shares will not be protected by any rules and regulations of any stock exchange or securities regulatory authorities. Moreover, section 4.1 of the Introduction to The Codes on Takeovers and Mergers and Share Buy-backs provides that The Codes on Takeovers and Mergers and Share Buy-backs apply to takeovers, mergers and share buy-backs affecting, among others, public companies in Hong Kong and section 4.2 of the Introduction to The Codes on Takeovers and Mergers and Share Buy-backs provides that in order to determine whether a company is a public company in Hong Kong, the Executive will take into account the number of Hong Kong shareholders and the extent of share trading in Hong Kong and other factors. If, following the implementation of the Scheme, the Holdco is determined by the Executive to be a “public company in Hong Kong”, the Holdco will be subject to The Codes on Takeovers and Mergers and Share Buy-backs.

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 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, present and voting either in person or by proxy at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) by the Disinterested Scheme Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Scheme 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 Scheme Shareholders present and voting either in person or by proxy 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 the Disinterested Scheme Shareholders;
- (c) (i) the passing of a special resolution by a majority of not less than $\frac{3}{4}$ of the votes cast by the Shareholders present and voting, in person or by proxy, at the EGM to approve and give effect to the reduction of the share capital of the Company by the cancellation

and extinguishment of the Scheme Shares; and (ii) the passing of an ordinary resolution by a simple majority of the Shareholders present and voting, in person or by proxy, at the EGM to approve the application of the credits created by the cancellation and extinguishment of the Scheme Shares to contemporaneously restore the issued share capital of the Company to the amount prior to the cancellation and extinguishment of the Scheme Shares by allotting and issuing to the Holdco the same number of new Shares, credited as fully paid, as the number of Scheme Shares cancelled and extinguished;

- (d) the sanction of the Scheme (with or without modifications) by the Grand Court and the confirmation of the reduction of the issued share capital of the Company, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court and the minutes approved by the Grand Court for registration;
- (e) the necessary compliance with the procedural requirements and conditions, if any, under the Companies Act in relation to the reduction of the share capital of the Company referred to in paragraph (c) above;
- (f) all authorisations, approvals, permissions, waivers and consents and all registrations and filings (including without limitation any which are required or desirable under or in connection with any applicable laws or regulations or any licences, permits or contractual obligations of the Company) in connection with the Proposal or its implementation in accordance with its terms having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification;
- (g) 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 or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms), other than such actions, proceedings or suits as would not have a material adverse effect on the legal ability of the Offeror to proceed with the Proposal or the Scheme;
- (h) all necessary legal or regulatory obligations in all relevant jurisdictions having been complied with and no legal or regulatory requirement having been imposed which is not expressly provided for, or is in addition to the requirements expressly provided for, in the relevant laws or regulations in connection with the Proposal or its implementation in accordance with its terms;

- (i) since 31 December 2022, there having been no adverse change in the business, assets, financial or trading positions, profits or prospects of any member of the Group which is material in the context of the Group taken as a whole or in the context of the Proposal; and
- (j) since the Announcement Date, there not having been instituted, threatened in writing or remaining outstanding any litigation, arbitration, other proceedings or other dispute resolution process to which any member of the Group is a party (whether as plaintiff, defendant or otherwise) and no investigation by any government, quasi-governmental, supranational, regulatory or investigative body or court against or in respect of any such member or the business carried on by any such member having been threatened in writing, instituted or remaining outstanding, in each case, which is material in the context of the Group taken as a whole or in the context of the Proposal or its implementation in accordance with its terms.

The Offeror reserves the right to waive all or any of the Conditions (except for the Conditions in paragraphs (a) to (e) above) in whole or in part. The Company does not have the right to waive any of the Conditions.

In respect of the Condition in paragraph (f) above, as at the Announcement Date, the Offeror and the Company do not foresee any necessary authorisations, approvals, permissions, waivers, consents, registrations and filings required in connection with the Proposal from, with or by (as the case may be) the relevant authorities in the Cayman Islands, Hong Kong and any other relevant jurisdictions, save for the authorisations already set out in paragraphs (a) to (e) above as separate conditions.

In respect of the Condition in paragraph (h) above, as at the Announcement Date, the Offeror and the Company are not aware of any such legal or regulatory obligation or requirement which is required to be complied with or has been imposed in connection with the Proposal or its implementation in accordance with its terms, save for the requirements already set out in paragraphs (a) to (e) above as separate conditions.

All of the above Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, otherwise the Proposal and the Scheme will lapse. 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 Scheme if the circumstances which give rise to the right to invoke such Condition are of material significance to the Offeror in the context of the Proposal. As at the Announcement Date, the Offeror is not aware of any such circumstances.

If approved, the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

As at the Announcement Date, none of the Conditions has been fulfilled or waived (as applicable).

Warning: Shareholders and potential investors of the Company should be aware that the implementation of the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. Shareholders and potential investors of the Company 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.

Reduction and restoration of issued share capital

The issued share capital of the Company will, on the Effective Date, be reduced by cancelling and extinguishing the Scheme Shares. Upon such reduction, the issued share capital of the Company will be contemporaneously restored to the amount prior to the cancellation and extinguishment of the Scheme Shares by allotting and issuing to the Holdco the same number of new Shares, credited as fully paid, as the number of Scheme Shares cancelled and extinguished. The credit arising in the books of accounts of the Company as a result of the capital reduction will be applied in paying up in full at par the new Shares so allotted and issued, credited as fully paid, to the Holdco.

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Announcement Date, the authorised share capital of the Company is HK\$100,000,000 divided into 10,000,000,000 Shares of HK\$0.01 each, and the Company has 1,791,500,000 Shares in issue. As at the Announcement Date, there was no outstanding share options under the Share Option Scheme.

The table below sets out the shareholding structure of the Company as at the Announcement Date and immediately upon completion of the Scheme, assuming that there are no other changes in the shareholding of the Company between the Announcement Date and the Record Date:

	As at the Announcement Date		Upon completion of the Scheme	
	Number of Shares	Approximate % of total issued Shares	Number of Shares	Approximate % of total issued Shares
Offeror	523,521,750	29.22%	523,521,750	29.22%
Easy Beauty (Note 1)	340,000,000	18.98%	—	—
Neala Holdings (Note 2)	51,591,330	2.88%	—	—
Atrium Noble (Note 3)	37,668,920	2.10%	—	—
Power Maker (Note 4)	48,000,000	2.68%	—	—
Polka Dots (Note 5)	40,000,000	2.23%	—	—
Mr. Cui (Note 4)	4,182,000	0.23%	—	—
Mr. Jiang (Note 5)	4,026,000	0.23%	—	—
Aggregate number of Shares held by the Offeror and the Offeror Concert Parties	<u>1,048,990,000</u>	<u>58.55%</u>	<u>523,521,750</u>	<u>29.22%</u>
Eternal Asia (Note 6)	292,876,000	16.35%	—	—
Sub-total	1,341,866,000	74.90%	—	—
Other public Shareholders	449,634,000	25.10%	—	—
Holdco (Notes 7 and 8)	<u>—</u>	<u>—</u>	<u>1,267,978,250</u>	<u>70.78%</u>
Total number of Shares	<u><u>1,791,500,000</u></u>	<u><u>100%</u></u>	<u><u>1,791,500,000</u></u>	<u><u>100%</u></u>

Note:

1. Easy Beauty is ultimately beneficially 70% owned by Mr. Dai Xiaolin and 30% owned by Ms. Qian Xiwen, daughter of Mr. Qian, and therefore is regarded as acting in concert with the Offeror in relation to the Company.

2. Neala Holdings Limited is controlled by Mr. Shen Xinren, a brother-in-law of Mr. Qian. Neala Holdings is owned as to 57.69% by Mr. Shen Xinren, the sole director of Neala Holdings, and 42.31% by Mr. Sun Xuelin, an uncle of Mr. Qian, and therefore is regarded as acting in concert with the Offeror in relation to the Company.
3. Atrium Noble Limited is controlled by Mr. Shen Xinren, a brother-in-law of Mr. Qian. Atrium Noble is owned as to 50% by Mr. Shen Xinren, the sole director of Atrium Noble, 29.17% by Mr. Dai Xiaolin and 20.83% by Mr. Yu Daxiong, and therefore is regarded as acting in concert with the Offeror in relation to the Company.
4. Power Maker is directly wholly owned by Mr. Cui. Although Power Maker's beneficial owner and director, Mr. Cui, is an Independent Third Party, given Power Maker acquired its shareholding in the Company from Easy Beauty (which is a party acting in concert with the Offeror) on 30 March 2023 and the consideration has not been settled as at the Announcement Date, such transfer constitutes a financial assistance provided to Power Maker by Easy Beauty whereby Power Maker is regarded as acting in concert with the Offeror in relation to the Company accordingly pursuant to the Takeovers Code. Each of Power Maker and Mr. Cui is therefore also an Offeror Concert Party.
5. Polka Dots is directly wholly owned by Mr. Jiang. Although Polka Dots's beneficial owner and director, Mr. Jiang, is an Independent Third Party, given Polka Dots acquired its shareholding in the Company from Easy Beauty (which is a party acting in concert with the Offeror) on 30 March 2023 and the consideration has not been settled as at the Announcement Date, such transfer constitutes a financial assistance provided to Polka Dots by Easy Beauty whereby Polka Dots is regarded as acting in concert with the Offeror in relation to the Company accordingly pursuant to the Takeovers Code. Each of Polka Dots and Mr. Jiang is therefore also an Offeror Concert Party.
6. Eternal Asia is a direct wholly owned subsidiary of Shenzhen Eternal Asia Supply Chain Company Limited* (深圳市怡亞通供應鏈股份有限公司) and ultimately controlled by State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government and is an Independent Third Party.
7. Assuming all Scheme Shareholders choose the Share Alternative, the shares of Holdco will be held as to 26.81% by Easy Beauty, 4.07% by Neala Holdings, 2.97% by Atrium Noble, 23.10% by Eternal Asia, 3.79% by Power Maker, 3.15% by Polka Dots, 0.33% by Mr. Cui, 0.32% by Mr. Jiang and 35.46% by the other public shareholders.
8. Assuming all Scheme Shareholders that have executed the Irrevocable Undertakings choose the Share Alternative and the other Scheme Shareholders choose the Cash Alternative, the shares of Holdco will be held as to 36.11% by the Offeror, 26.81% by Easy Beauty, 4.07% by Neala Holdings, 2.97% by Atrium Noble, 23.10% by Eternal Asia, 3.79% by Power Maker and 3.15% by Polka Dots.

FINANCIAL RESOURCES

On the assumption that no other Shares are issued before the Record Date, and on the basis of (a) the cash consideration under the Cash Alternative of HK\$0.5 per Scheme Share; and (b) the Irrevocable Undertakings from Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots, in aggregate beneficially holding 810,136,250 Scheme Shares representing approximately 45.22% of the total issued share capital of the Company, undertaking not to elect the Cash Alternative but to elect the Share Alternative; and (c) the

Board has exercised its discretion by passing resolutions in board meeting that the Board will not grant share options available under the existing scheme mandate of the Share Option Scheme, 457,842,000 Scheme Shares will be subject to the Cash Alternative and the amount of cash required to implement the Proposal would be HK\$228,921,000. The Offeror intends to finance the cash required for the Proposal from its internal cash resources.

First Shanghai Capital, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for the full implementation of the Proposal in accordance with their terms.

IRREVOCABLE UNDERTAKINGS

As at the Announcement Date:

- (a) Easy Beauty beneficially holds 340,000,000 Shares, representing approximately 18.98% of the issued share capital of the Company;
- (b) Eternal Asia beneficially holds 292,876,000 Shares, representing approximately 16.35% of the issued share capital of the Company;
- (c) Neala Holdings beneficially holds 51,591,330 Shares, representing approximately 2.88% of the issued share capital of the Company;
- (d) Atrium Noble beneficially holds 37,668,920 Shares, representing approximately 2.10% of the issued share capital of the Company;
- (e) Power Maker beneficially holds 48,000,000 Shares, representing approximately 2.68% of the issued share capital of the Company; and
- (f) Polka Dots beneficially holds 40,000,000 Shares, representing approximately 2.23% of the issued share capital of the Company.

On 15 May 2023, (1) Easy Beauty and Eternal Asia (as supplemented by a supplemental undertaking dated 21 June 2023 respectively, and (2) Neala Holdings and Atrium Noble respectively entered into the Irrevocable Undertakings with the Offeror in favour of the Offeror, and on 22 May 2023, Power Maker and Polka Dots respectively (as supplemented by a supplemental undertaking dated 21 June 2023) entered into the Irrevocable Undertakings with the Offeror in favour of the Offeror, pursuant to which each of Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots:

- (A) unconditionally and irrevocably agrees and undertakes that (i) it will votes for (if entitled to vote) the Proposal in respect of all its Shares as soon as possible and irrevocably undertakes that it will not withdraw such vote; and (ii) it will not select the

Cash Alternative, but will select the Share Alternative, which such shares are the shares of a company controlled by the Offeror and such number of shares mirroring its shareholdings in the Company;

- (B) unconditionally and irrevocably agrees and undertakes that during the period from the date of this irrevocable undertaking to the date of the completion of the Proposal (both dates inclusive), each of Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots will support the delisting arrangement of the Company (including, amongst others, to vote (if entitled to vote) in favour of any resolution(s) in relation to the delisting arrangement of the Company in the general meeting(s) of the Company if so permitted by the relevant regulators) and each of Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots will not, whether directly or indirectly, take any action which will preclude, prejudice, restrict or delay the successful outcome of the Proposal and the delisting of the Company or otherwise conflict with or diminish its obligations thereunder; and
- (C) save as to supporting the Proposal in accordance with the terms of the irrevocable undertaking, confirms, agrees and undertakes that it has not and will not, prior to and including the date of the completion of the Proposal:
- (1) save as what has been disclosed to the Offeror (if applicable), offer, sell, give, transfer, pledge, encumber, charge, or grant any right over or otherwise dispose of or deal with any of the its Shares or any interest therein;
 - (2) enter into any swap or other arrangement that transfers to another party in whole or in part any of the legal, beneficial or economic consequences attached to the Shares held by it;
 - (3) solicit or enter into discussions regarding any proposal or offer by any third party for the Shares or other class of shares of the Company or any proposal or offer so made for a merger, scheme of arrangement, exchange offer, consolidation, partnership, joint venture or other business combination involving the Company, or for any purchase of all or any material part of the assets of the Company and its subsidiary undertakings (other than in the ordinary course of existing business transactions) or other similar transaction that may preclude, prejudice, restrict or delay the successful outcome of the Proposal and delisting of the Company from the Stock Exchange;
 - (4) save as what has been disclosed to the Offeror (if applicable), subject any of its Shares to any encumbrance as described under (C)(1) above; or
 - (5) enter into any agreement with a view to effecting any of the foregoing.

The Offeror confirmed that nothing has come to their attention which may render any of Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots unable to perform or adhere to the Irrevocable Undertaking (as the case may be). The Offeror further confirmed that they are not aware of any circumstance which may preclude any of Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots from performing the Irrevocable Undertaking under the Proposal, and that the Shares held by these undertaking shareholders will remain in their hands and there is no chance whereby any of these Shares will be transferred or disposed in any way to other third parties prior to the completion of the Proposal.

Each of the Irrevocable Undertakings respectively entered into by Easy Beauty, Eternal Asia, Neala Holdings, Atrium Noble, Power Maker and Polka Dots will be terminated and cease to be binding immediately upon the Proposal having been withdrawn, lapsed or closed.

Eternal Asia is a direct wholly owned subsidiary of Shenzhen Eternal Asia Supply Chain Company Limited* (深圳市怡亞通供應鏈股份有限公司) and ultimately controlled by State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government, which is an Independent Third Party. Easy Beauty, Neala Holdings and Atrium Noble are Offeror Concert Parties. Power Maker and Polka Dots are directly wholly owned by Mr. Cui and Mr. Jiang, respectively, both Independent Third Parties. Although Power Maker's beneficial owner and director, Mr. Cui, and Polka Dots's beneficial owner and director, Mr. Jiang, are Independent Third Parties, given each of Power Maker and Polka Dots acquired their respective shareholding in the Company from Easy Beauty (which is a party acting in concert with the Offeror) on 30 March 2023 and the considerations have not been settled as at the Announcement Date, such deferred payment arrangements constitute financial assistance provided to each of Power Maker and Polka Dots by Easy Beauty whereby Power Maker and Polka Dots are regarded as acting in concert with the Offeror in relation to the Company accordingly pursuant to the Takeovers Code. Each of Power Maker, Polka Dots, Mr. Cui and Mr. Jiang is therefore also an Offeror Concert Party.

OTHER ARRANGEMENTS

As at the Announcement Date:

- (a) save as disclosed in the section headed "Shareholding Structure of the Company" above, none of the Offeror or the Offeror Concert Parties owns or controls or directs any existing holding of voting rights and rights over shares in the Company, or any convertible securities, warrants or options in the Company;
- (b) there is no outstanding derivative in respect of securities in the Company entered into by the Offeror or the Offeror Concert Parties;

- (c) neither the Offeror nor the Offeror Concert Parties have borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (d) save as (i) the sale of 48,000,000 Shares and 40,000,000 Shares to Power Maker and Polka Dots, respectively, by Easy Beauty on 30 March 2023 at a price of HK\$0.395 per Share; and (ii) the dealings in the Shares by First Shanghai Securities Limited (being a stock broker under the same control as First Shanghai Capital) conducted in the normal course of business for and on behalf of its non-discretionary clients, there are no outstanding convertible securities, warrants, options or derivatives in respect of the Shares which have been entered into by the Offeror or any of the Offeror Concert Parties and the Offeror and the Offeror Concert Parties have not dealt in the Shares during the period beginning six months prior to the Announcement Date and up to and including the Announcement Date;
- (e) there is no arrangement (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 or shares of the Offeror which might be material to the Proposal;
- (f) there is no agreement or arrangement to which the Offeror or any of the Offeror Concert Parties is a party which relates to circumstances in which it may or may not invoke or seek to invoke a Condition to the Proposal;
- (g) save for the Irrevocable Undertakings as set out under the section headed “Irrevocable Undertakings”, neither the Offeror nor the Offeror Concert Parties has received any irrevocable commitment to vote for or against the Proposal;
- (h) save for the cash consideration under the Cash Alternative and the share consideration under the Share Alternative, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or the Offeror Concert Parties to the Scheme Shareholders or any person acting in concert with the Scheme Shareholders in connection with the cancellation and extinguishment of the Scheme Shares (as applicable);
- (i) there is no understanding, arrangement, agreement or special deal between the Offeror or the Offeror Concert Parties on the one hand, and the Scheme Shareholders or any person acting in concert with the Scheme Shareholders on the other hand; and
- (j) there is no understanding, arrangement, agreement or special deal between any Shareholder and (A) the Offeror or the Offeror Concert Parties or (B) the Company, its subsidiaries or associated companies.

REASONS FOR AND BENEFITS OF THE PROPOSAL

The liquidity of Shares has been at a relatively low level over a prolonged period of time, with an average daily trading volume of 240,118 Shares, 610,955 Shares, and 547,256 Shares, for the 6 months period, 12 months period, and 24 months period up to and including the Last Trading Day, representing approximately 0.01%, 0.03% and 0.03% respectively of the total issued Shares as at the Last Trading Day. Low trading liquidity of Shares renders it difficult for Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares.

The maintenance of the listing status of the Company involves administrative, compliance and other listing-related costs and expenses. If the Proposal is successful, these costs and expenses would be eliminated and thus allow the Offeror and the Company to allocate more resources for the development of the business of the Group.

The Proposal is intended to provide the Scheme Shareholders with an opportunity to exit and realise their investments in the Company for cash at a premium. The cash consideration under the Cash Alternative represents a premium of approximately (i) 31.6% over the closing price of the Shares on the Last Trading Day; and (ii) 28.9% over the average closing price of the Shares for the 30 trading days up to and including the Last Trading Day.

INFORMATION ON THE GROUP AND THE OFFEROR

Information of the Company and the Group

The principal activity of the Company is investment holding. The principal activities of the subsidiaries of the Company are in manufacture and sales of feeder cable series, optical fibre cable series and related products, flame-retardant flexible cable series, new-type electronic components and other for mobile communications and telecommunications equipment.

Information of the Offeror

The Offeror is a company incorporated in the British Virgin Islands with limited liability and registered in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). As at the Announcement Date, the Offeror is wholly-owned by Abraholme International, which in turn is wholly-owned by Mr. Qian, the single largest Shareholder, an executive Director and the chairman of the Company. Mr. Qian is the sole director of each the Offeror and Abraholme International respectively.

The Offeror is an investment holding company and held 523,521,750 Shares, representing approximately 29.22% of the issued share capital of the Company as at the Announcement Date.

For details of the shareholding of the Offeror in the Company, please refer to the section headed “Shareholding Structure of the Company” above.

WITHDRAWAL OF LISTING OF SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and extinguished (with the equivalent number of new Shares being issued and credited as fully paid to the Offeror) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, with effect from the Effective Date.

The Scheme Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in the Shares and the day 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 implementation of the Proposal will be included in the Scheme Document.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Proposal will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under Rule 31.1 of the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it 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 announce an offer or possible offer for the Company, except with the consent of the Executive.

COSTS OF THE SCHEME

Pursuant to Rule 2.3 of the Takeovers Code, if the Scheme is not approved and the Proposal is either not recommended by the Independent Board Committee, or is not recommended as fair and reasonable by the Independent Financial Adviser, all costs and expenses incurred by the Company and the Offeror in connection with the Scheme will be borne by the Offeror.

If the Proposal is recommended by the Independent Board Committee, and is recommended as fair and reasonable by the Independent Financial Adviser, the Company and the Offeror have agreed that all costs, charges and expenses of the advisers and counsel appointed by the Company, including the Independent Financial Adviser, will be borne by the Company,

whereas all costs, charges and expenses of the advisers and counsels appointed by the Offeror will be borne by the Offeror, and other costs, charges and expenses of the Scheme and Proposal will be shared between the Company and the Offeror equally.

DESPATCH OF THE SCHEME DOCUMENT

The Scheme Document containing, among other things, further details of the Proposal and the Scheme, the expected timetable, an explanatory memorandum as required under the Companies Act and the Rules of the Grand Court, information regarding the Company, the recommendations from the Independent Board Committee with respect to the Proposal, and the letter of advice of the Independent Financial Adviser to the Independent Board Committee, a notice of the Court Meeting and a notice of the EGM, 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 and the Grand Court, and other applicable laws and regulations.

The Scheme Document will contain important information and the Scheme Shareholders are urged to read the Scheme Document containing such disclosures carefully before casting any vote at (or providing any proxy in respect of) the Court Meeting or the EGM. Any election 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.

EXCLUSIVE FINANCIAL ADVISER TO THE OFFEROR, INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Offeror has appointed First Shanghai Capital as its exclusive financial adviser in connection with the Proposal.

An Independent Board Committee, which comprises the independent non-executive Directors, namely Professor Jin Xiaofeng, Mr. Chan Fan Shing and Mr. Zhao Huanqi, has been established by the Board to make a recommendation to the Disinterested Scheme Shareholders as to: (i) whether the terms of the Proposal, the Scheme is or is not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the EGM.

As the non-executive Director, Mr. Zhang Dongjie, is a deputy general manager of the sole shareholder of Eternal Asia, Shenzhen Eternal Asia Supply Chain Company Limited* (深圳市怡亞通供應鏈股份有限公司) and that Eternal Asia has entered into the Irrevocable Undertaking with the Offeror, Mr. Zhang will not be a member of the Independent Board Committee accordingly.

The Independent Financial Adviser will be appointed by the Independent Board Committee in due course to advise the Independent Board Committee in relation to the Proposal. An announcement will be made by the Company as soon as possible after the appointment of the Independent Financial Adviser.

SCHEME SHARES, COURT MEETING AND THE EGM

As at the Announcement Date, the Offeror holds 523,521,750 Shares (representing approximately 29.22% of the issued share capital of the Company). Such Shares will not form part of the Scheme Shares and, as the Offeror is not a Scheme Shareholder, the Offeror will not vote on the Scheme at the Court Meeting. The Offeror will undertake to the Grand Court that it 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.

As at the Announcement Date, the Offeror Concert Parties hold in aggregate 525,468,250 Shares (representing approximately 29.33% of the issued share capital of the Company). Such Shares will form part of the Scheme Shares but the Offeror Concert Parties will not vote on the Scheme at the Court Meeting. Each of the Offeror Concert Parties will undertake to the Grand Court that it 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 EGM to vote on, amongst other things, (i) a special resolution to approve and give effect to the reduction of issued share capital of the Company by the cancellation and extinguishment of the Scheme Shares; and (ii) an ordinary resolution to approve and give effect to the application of the credits created by the cancellation and extinguishment of the Scheme Shares to contemporaneously restore the issued share capital of the Company to the amount prior to the cancellation and extinguishment of the Scheme Shares by allotting and issuing to the Holdco the same number of new Shares, credited as fully paid, as the number of Scheme Shares cancelled and extinguished.

The Offeror and the Offeror Concert Parties have indicated that if the Scheme is approved at the Court Meeting, those Shares held by it will be voted in favor of the resolutions to be proposed at the EGM.

DISCLOSURE OF DEALINGS

The respective associates (as defined in the Takeovers Code) of the Offeror and the Company, including shareholders holding 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of each of the foregoing, are hereby reminded to disclose their dealings in the relevant securities of the Company.

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 HK\$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.”

OVERSEAS SHAREHOLDERS

The making and implementation of the Proposal to Scheme Shareholders who are not resident in Hong Kong may be affected by the applicable laws of the relevant jurisdictions. Any Scheme Shareholders who are not resident in Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements in their own jurisdictions.

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

Any election by the Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Offeror and the Company and their respective advisers, 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 receipt of the Scheme Document by overseas Scheme Shareholders 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. For that purpose, the 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. 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.

TAXATION

Scheme Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of their election for the Cash Alternative and/or the Share Alternative. It is emphasised that none of the Offeror, the Company, First Shanghai Capital or any of their respective directors, officers or associates or any other person involved in the Proposal accepts responsibility (other than in respect of themselves, if applicable) for any taxation effects on, or liabilities of, any other persons as a result of their election for the Cash Alternative and/or the Share Alternative.

RESUMPTION OF TRADING IN SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 1:00 p.m. on Monday, 22 May 2023 pending the release of this joint announcement. An application will be 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 Friday, 30 June 2023.

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“Abraholme International”	Abraholme International Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly owned by Mr. Qian
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Announcement Date”	29 June 2023, being the date of this joint announcement
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Atrium Noble”	Atrium Noble Limited, a company incorporated in the British Virgin Islands with limited liability and controlled by Mr. Shen Xinren, a brother-in-law of Mr. Qian. Atrium Noble is owned as to 50% by Mr. Shen Xinren, the sole director of Atrium Noble, 29.17% by Mr. Dai Xiaolin, and 20.83% by Mr. Yu Daxiong
“Board”	the board of directors of the Company

“Cash Alternative”	the cash consideration alternative under the Proposal, being HK\$0.50 in cash for every Scheme Share
“Company”	Trigiant Group Limited (俊知集團有限公司)*, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1300)
“Companies Act”	the Companies Act (2023 Revision) of the Cayman Islands, as amended from time to time
“Condition(s)”	the condition(s) to the implementation of the Proposal and the Scheme as described in the section headed “The Proposal — Conditions of the Proposal and the Scheme” of this joint announcement
“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 Scheme Shareholder(s)”	Scheme Shareholder(s) other than the Offeror Concert Parties
“Easy Beauty”	Easy Beauty Limited, a company incorporated in the British Virgin Islands with limited liability and registered in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). Easy Beauty is ultimately beneficially 70% owned by Mr. Dai Xiaolin and 30% owned by Ms. Qian Xiwen, daughter of Mr. Qian
“Effective Date”	the date on which the Scheme, if approved and sanctioned by the Grand Court, becomes effective in accordance with the Companies Act
“EGM”	an extraordinary general meeting of Shareholders to be convened for the purpose of passing all necessary resolutions for, amongst other things, approving a reduction of issued share capital and contemporaneous restoration of the issued share capital for the purpose of giving effect to the Scheme, or any adjournment thereof

“Eternal Asia”	Eternal Asia (HK) Limited, a company incorporated in Hong Kong with limited liability, an Independent Third Party. Eternal Asia is a direct wholly owned subsidiary of Shenzhen Eternal Asia Supply Chain Company Limited* (深圳市怡亞通供應鏈股份有限公司) and ultimately controlled by State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People’s Government
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate thereof
“First Shanghai Capital”	First Shanghai Capital Limited (第一上海融資有限公司), a company incorporated in Hong Kong with limited liability and licensed to carry on Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and the financial adviser to the Offeror in connection with the Proposal
“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Holdco”	Pure Success Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability. As at the Announcement Date, it is wholly owned by the Offeror and its sole director is Mr. Qian
“Holdco Share(s)”	share(s) with a par value of US\$1 each in the Holdco or with a par value of US\$0.00000001 each following a share subdivision prior to the Effective Date as describe in this announcement
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Company which has been established to advise the Disinterested Scheme Shareholders in respect of the Proposal, the composition of which is set out in the section headed “Establishment of Independent Board Committee” of this joint announcement

“Independent Financial Adviser”	the independent financial adviser to be appointed to provide recommendations to the Independent Board Committee in relation to the Proposal
“Independent Third Party(ies)”	individual(s) or company(ies) who/which is/are not connected person (as defined in the Listing Rules) of the Company
“Irrevocable Undertakings”	the irrevocable undertakings entered into by each of Easy Beauty and Eternal Asia on 15 May 2023 as supplemented by a supplemental undertaking dated 21 June 2023, the irrevocable undertakings entered into by each of Neala Holdings and Atrium Noble on 15 May 2023, and the irrevocable undertakings entered into by each of Power Maker and Polka Dots on 22 May 2023 as supplemented by a supplemental undertaking dated 21 June 2023, in favor of the Offeror in connection with the Proposal, details of which are set out in the section headed “Irrevocable Undertakings” in this joint announcement
“KYC Documents”	KYC documents as listed in paragraph headed “Terms of the Proposal” in this joint announcement
“Last Trading Day”	22 May 2023, being the last trading day prior to the suspension of trading in the Shares on the Stock Exchange with effect from 1:00 p.m. on Monday, 22 May 2023, pending publication of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Long Stop Date”	a date as set out in the Scheme or such later date as the Offeror and the Company may agree or, to the extent applicable, as the Grand Court may direct and, in all cases, as permitted by the Executive
“Mr. Cui”	Mr. Cui Zhenrong (崔振榮), the beneficial owner and sole director of Power Maker
“Mr. Jiang”	Mr. Jiang Linfei (蔣林飛), the beneficial owner and sole director of Polka Dots

“Mr. Qian”	Mr. Qian Lirong (錢利榮), who is the beneficial owner and the sole director of the Holdco and the Offeror, and a substantial Shareholder, an executive Director and the chairman of the Company
“Neala Holdings”	Neala Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and controlled by Mr. Shen Xinren, a brother-in-law of Mr. Qian. Neala Holdings is owned as to 57.69% by Mr. Shen Xinren, the sole director of Neala Holdings, and 42.31% by Mr. Sun Xuelin, an uncle of Mr. Qian
“Offer Consideration”	the consideration payable by the Offeror in connection with the Proposal, being the Cash Alternative or the Share Alternative or a combination of both
“Offeror”	Trigiant Investments Limited, a company incorporated in the British Virgin Islands with limited liability and registered in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), which is beneficially wholly-owned by Mr. Qian
“Offeror Concert Party(ies)”	all parties acting, or presumed to be acting, in concert with the Offeror in relation to the Company as defined under the Takeovers Code, including Mr. Qian, Easy Beauty, Neala Holdings, Atrium Noble, Mr. Cui, Mr. Jiang, Power Maker and Polka Dots
“Polka Dots”	Polka Dots Investments Limited, a company incorporated in the British Virgin Islands with limited liability and is solely owned by Mr. Jiang
“Power Maker”	Power Maker Investments Limited, a company incorporated in the British Virgin Islands with limited liability and is solely owned by Mr. Cui
“PRC”	the People’s Republic of China, which, for the purposes of this joint announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan

“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme and the withdrawal of the listing of the Shares from the Stock Exchange, 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 record date for determining entitlements of the Scheme Shareholders under the Scheme
“Scheme”	a scheme of arrangement between the Company and the Scheme Shareholders under Section 86 of the Companies Act for the implementation of the Proposal
“Scheme Document”	the composite scheme document to be despatched to the Shareholders as described in the section headed “Despatch of the Scheme Document” of this joint announcement
“Scheme Share(s)”	Share(s) other than those held by the Offeror
“Scheme Shareholder(s)”	holder(s) of Scheme Share(s)
“SFC”	the Securities and Futures Commission of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Alternative”	the share alternative under the Proposal, being one Holdco Share for every Scheme Share held
“Share Option Scheme”	the share option scheme adopted by a resolution passed by the Shareholders at the annual general meeting of the Company held on 27 May 2014
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“subsidiary(ies)” has the meaning ascribed to it under the Listing Rules
“Takeovers Code” the Code on Takeovers and Mergers of Hong Kong

* For identification purposes only

By Order of the board of directors of
Trigiant Investments Limited
Qian Lirong
Director

By Order of the Board of
Trigiant Group Limited
Qian Chenhui
Executive Director

Hong Kong, 29 June 2023

As at the Announcement Date, the sole director of the Offeror is Mr. Qian Lirong.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirms, 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 in their capacity as 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 the following members:

<i>Executive Directors:</i>	Mr. Qian Lirong (Chairman and Group chief executive officer) Mr. Qian Chenhui
<i>Non-executive Director:</i>	Mr. Zhang Dongjie
<i>Independent non-executive Directors:</i>	Professor Jin Xiaofeng Mr. Chan Fan Shing Mr. Zhao Huanqi

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that 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 in his capacity as the 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.