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GOLDBOND GROUP HOLDINGS LIMITED

金榜集團控股有限公司

(incorporated in Hong Kong with limited liability)



RONGZHONG

CHINA RONGZHONG FINANCIAL HOLDINGS COMPANY LIMITED

中國融眾金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03963)

JOINT ANNOUNCEMENT

**(1) MAJOR AND CONNECTED TRANSACTION
CONDITIONAL AGREEMENT IN RELATION TO THE ACQUISITION OF
THE REMAINING 49% OF THE ISSUED SHARE CAPITAL OF THE
TARGET COMPANY INVOLVING THE ISSUE OF CONSIDERATION
SHARES UNDER SPECIFIC MANDATE;**

**(2) CONNECTED TRANSACTION
CONDITIONAL AGREEMENT IN RELATION TO THE SUBSCRIPTION FOR
NEW SHARES UNDER SPECIFIC MANDATE; AND**

**(3) POSSIBLE UNCONDITIONAL MANDATORY CASH OFFER BY
PING AN OF CHINA CAPITAL (HONG KONG) COMPANY LIMITED FOR
AND ON BEHALF OF THE OFFEROR TO ACQUIRE
ALL THE ISSUED SHARES OF
CHINA RONGZHONG FINANCIAL HOLDINGS COMPANY LIMITED AND
TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS OF
CHINA RONGZHONG FINANCIAL HOLDINGS COMPANY LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE
ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN CONCERT
WITH IT)**

Financial adviser to the Offeror



THE ACQUISITION

On 30 October 2023 (after trading hours), the Offeror (as vendor) and the Company (as purchaser) entered into the Acquisition Agreement, pursuant to which the Company conditionally agreed to acquire, and the Offeror conditionally agreed to sell the Acquisition Shares, representing 49% of the issued share capital in the Target Company (a non wholly-owned subsidiary of the Company), at the consideration of HK\$17,500,000 which will be satisfied by the issue and allotment of the Consideration Shares to the Offeror. Upon Acquisition Completion, the Target Company will become a wholly-owned subsidiary of the Company.

THE SUBSCRIPTION

In addition, on 30 October 2023 (after trading hours), the Offeror (as subscriber) and the Company (as issuer) entered into the Subscription Agreement, pursuant to which the Offeror conditionally agreed to subscribe for, and the Company conditionally agreed to issue and allot the Subscription Shares at the Subscription Price of HK\$0.38 in which the aggregate consideration payable by the Offeror will be satisfied by way of setting off against the Loan Capitalisation Amount.

Acquisition Completion and Subscription Completion are inter-conditional upon each other and shall take place simultaneously.

IMPLICATION UNDER THE LISTING RULES

As one or more of the applicable percentage ratios (as defined under Chapter 14 of the Listing Rules) in respect of the transactions are 25% or more but less than 100%, the entering into of the Acquisition Agreement constitutes a major transaction for the Company and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of this joint announcement, the Offeror is interested in an aggregate of 152,055,903 Shares (whereby it (i) directly owns 8,250,000 Shares; and (ii) indirectly owns the entire issued share capital of Perfect Honour which is interested in 143,805,903 Shares), representing approximately 36.14% of the existing issued Shares. The Offeror is thus a controlling shareholder and a connected person of the Company. As such, the entering into of each of the Acquisition Agreement and the Subscription Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the approval of the Independent Shareholders at the EGM. The Offeror and its associates and parties acting in concert with it will abstain from voting on the resolutions at the EGM.

Pursuant to Chapter 14A, an Independent Board Committee, comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in respect of the Acquisition Agreement and the Subscription Agreement. An independent financial adviser will be appointed to advise the Independent Board Committee in respect of the Acquisition Agreement and the Subscription Agreement. The members of the Independent Board Committee will make a recommendation to the Independent Shareholders in respect of the Acquisition Agreement and the Subscription Agreement as to whether their terms are, or are not, fair and reasonable.

POSSIBLE UNCONDITIONAL MANDATORY CASH OFFER FOR THE SHARES

As at the date of this joint announcement, the Offeror itself owns (or has control or direction over) 8,250,000 Shares, or approximately 1.96% of the total voting rights of the Company, and Convertible Bonds in the principal amount of HK\$2,541,000). The Offeror Concert Group directly or indirectly owns (or has control or direction over) 172,290,145 Shares, or approximately 40.95% of the total voting rights of the Company, and 5,200,000 Options.

The Acquisition Completion will result in the Offeror acquiring an additional 46,052,632 new Shares (or approximately 7.94% voting rights of the Company calculated based on the issued share capital of the Company as enlarged by the issue and allotment of the Consideration Shares and the Subscription Shares), and together with the Subscription Completion (assuming the Completion Date falls on the Long Stop Date), will result in (i) the Offeror acquiring an additional 113,156,379 new Shares (or approximately 19.51% voting rights of the Company calculated based on the issued share capital of the Company as enlarged by the issue and allotment of the Consideration Shares and the Subscription Shares). Upon the Acquisition Completion and Subscription Completion, the Offeror Concert Group will be interested in approximately 57.16% of the total voting rights of the Company.

Such acquisition of additional voting rights of the Company has the effect of increasing the holdings of the Offeror itself and the collective holdings of the Offeror Concert Group of voting rights of the Company by more than 2% from the lowest percentage holdings of the Offeror or of the Offeror Concert Group in the 12 month period ending on and including the date of such acquisition.

Pursuant to Rule 26.1 of the Takeovers Code, upon the Acquisition Completion and Subscription Completion, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror Concert Group). In addition, the Offeror is also obliged to make an appropriate cash offer to the Offer Optionholders to cancel all the Offer Options under Rule 13 of the Takeovers Code.

Subject to and upon the Acquisition Completion and Subscription Completion, Ping An will, for and on behalf of the Offeror, make the Offers on the following basis:

The Share Offer

For each Offer Share HK\$0.38 in cash

The Share Offer Price of HK\$0.38 is equivalent to the price per Consideration Share under the Acquisition Agreement and to the Subscription Price under the Subscription Agreement.

The Option Offer

For the cancellation of each of Offer Options. HK\$0.01 in cash

As at the date of this joint announcement, there were 5,594,000 outstanding Options granted under the Share Option Scheme, entitling the Optionholders to subscribe for an aggregate of 5,594,000 Shares at an exercise price of HK\$0.40.

The making of the Offers is conditional only on the Acquisition Completion and Subscription Completion. When the Offers are made, they will be unconditional offers.

The Offeror intends to finance the maximum value of the Offers of HK\$94,567,884.9 through a borrowing from Mr. Wong Charles Yu Long to the Offeror. Ping An is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the maximum value of the Offers.

As at the date of this joint announcement, the Company has outstanding Convertible Bonds in the principal amount of HK\$2,541,000. As the Offeror is currently holding all outstanding Convertible Bonds, it is not necessary for the Offeror to make an offer for the outstanding Convertible Bonds.

EGM

An EGM will be convened and held for the Shareholders to consider and, if thought fit, to approve (i) the Acquisition Agreement, the Subscription Agreement and the transactions contemplated thereunder; and (ii) the granting of the Specific Mandate to issue and allot the Consideration Shares and the Subscription Shares. The Offeror and its associates and parties acting in concert with it will abstain from voting on the resolutions at the EGM.

A circular containing, among other things, (i) further details of the Acquisition and the Subscription; and (ii) a notice convening the EGM, is required to be despatched within fifteen (15) Business Days (as defined in the Listing Rules) from the date of this joint announcement pursuant to Rule 14A.68(11) of the Listing Rules. The circular will be despatched to the Shareholders on or before 20 November 2023.

GO INDEPENDENT BOARD COMMITTEES AND GO INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, the GO Independent Board Committee (comprising a non-executive Director, Mr. Lau Hiu Fung, and all the independent non-executive Directors, namely Mr. Lie Chi Wing, Mr. Ng Wing Chung Vincent and Mr. Ng Yuk Yeung Paul, who have no direct or indirect interest in the Offers) has been established to advise the Offer Shareholders and Offer Optionholders in respect of the Offers. As Ms. Jacqueline Wong and Ms. Michelle Wong are both beneficiaries of two discretionary trusts, namely Allied Luck Trust and Aceyork Trust, which together are interested in 57.05% of the issued share capital of the Offeror, and Mr. David Wong is a director and the chief executive officer of the Offeror, they are regarded as being interested in the Offers for the purpose of Rule 2.8 of the Takeovers Code and will accordingly not join the GO Independent Board Committee.

The GO Independent Financial Adviser will be appointed by the GO Independent Board Committee to advise the GO Independent Board Committee and the Offer Shareholders and Offer Optionholders in respect of the Offers. The advice of the GO Independent Financial Adviser and the recommendation of the GO Independent Board Committee in respect of the Offers, in particular, as to whether the Offers are, or are not, fair and reasonable and as to its acceptance, will be included in the Composite Document. A further announcement will be made by the Company upon the appointment of the GO Independent Financial Adviser.

DESPATCH OF COMPOSITE DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch an offer document containing the terms of the Offers, together with the Form of Acceptance, to the Offer Shareholders and Offer Optionholders within twenty-one (21) days after the date of this joint announcement, or such later date as the Executive may approve. As there is a pre-condition (i.e. completion of the Acquisition and Subscription) to the making of the Offers, the Offeror will apply to the Executive for a consent pursuant to Note 2 to Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of the Composite Document to within seven (7) days from the fulfillment of such pre-condition (i.e. completion of the Acquisition and Subscription).

If the Offers materialize, it is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Accordingly, the Composite Document containing, among other things, (i) the details of the Offers (including the expected timetable and terms of the Offers); (ii) a letter of recommendation from the GO Independent Board Committee in relation to the Offers; and (iii) a letter of advice from the GO Independent Financial Adviser to the GO Independent Board Committee in relation to the Offers, together with the Forms of Acceptance, will be issued and despatched by the Offeror and the Company jointly to the Shareholders in accordance with the Takeovers Code.

WARNING

The Offer Shareholders and Offer Optionholders are encouraged to read the Composite Document carefully, including the advice of the GO Independent Financial Adviser to the GO Independent Board Committee and the recommendation from the GO Independent Board Committee to the Offer Shareholders and Offer Optionholders in respect of the Offers, before deciding whether or not to accept the Offers.

The Offeror and the Company will make an announcement if and when Acquisition Completion and Subscription Completion take place in compliance with Rule 3.6 of the Takeovers Code or alternatively if Acquisition Completion and Subscription Completion cannot take place, and the Acquisition Agreement and the Subscription Agreement are terminated as a result.

Acquisition Completion and Subscription Completion are inter-conditional upon each other. The Offers will only be made if both Acquisition Completion and Subscription Completion take place. Acquisition Completion and Subscription Completion are subject to satisfaction and/or waiver of the conditions precedent contained in the Acquisition Agreement and the Subscription Agreement. Accordingly, Acquisition Completion and Subscription Completion may or may not take place and the Offers may or may not be made.

Shareholders, Optionholders and potential investors should note that the GO Independent Board Committee has yet to consider and evaluate the Offers. The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement.

Shareholders, Optionholders and potential investors are advised to monitor the announcements to be made by the Company or jointly by the Offeror and the Company in respect of the progress of the Offers and exercise caution when dealing in the securities of the Company. If Shareholders, Optionholders and potential investors are in any doubt about their position, they should consult their professional advisers.

INTRODUCTION

On 30 October 2023 (after trading hours), the Offeror (as vendor) and the Company (as purchaser) entered into the Acquisition Agreement, pursuant to which the Company conditionally agreed to acquire, and the Offeror conditionally agreed to sell the Acquisition Shares, representing 49% of the issued share capital in the Target Company (a non wholly-owned subsidiary of the Company), at the consideration of HK\$17,500,000, which will be satisfied by the issue and allotment of the Consideration Shares to the Offeror. Upon Acquisition Completion, the Target Company will become a wholly-owned subsidiary of the Company.

In addition, on 30 October 2023 (after trading hours), the Offeror (as subscriber) and the Company (as issuer) entered into the Subscription Agreement, pursuant to which the Offeror conditionally agreed to subscribe for, and the Company conditionally agreed to issue and allot the Subscription Shares at the Subscription Price of HK\$0.38, in which the aggregate consideration payable by the Offeror will be satisfied by way of setting off against the Loan Capitalisation Amount.

Acquisition Completion and Subscription Completion are inter-conditional upon each other and shall take place simultaneously.

Set out below are the principal terms of the Acquisition Agreement and the Subscription Agreement:

ACQUISITION AGREEMENT

Date: 30 October 2023 (after trading hours)

Parties: (a) the Company, as the purchaser; and

(b) the Offeror, as the vendor.

As at the date of this joint announcement, the Offeror is interested in an aggregate of 152,055,903 Shares (whereby it (i) directly owns 8,250,000 Shares; and (ii) owns the entire issued share capital of Perfect Honour which is interested in 143,805,903 Shares), representing approximately 36.14% of the existing issued Shares. The Offeror is thus a controlling shareholder and a connected person of the Company.

For more details of the parties, please refer to sections headed “Information of the Group” and “Information of the Offeror” in this joint announcement.

Assets to be acquired

Pursuant to the Acquisition Agreement, the Offeror has conditionally agreed to sell, and the Company has conditionally agreed to acquire the Acquisition Shares, representing 49% of the issued share capital of the Target Company.

Consideration

The Consideration shall be HK\$17,500,000, which shall be satisfied by the Company by the issue and allotment of Consideration Shares to the Offeror upon Acquisition Completion.

The Consideration was determined after arm’s length negotiations between the Company and the Offeror on normal commercial terms with reference to, including without limitation, the net asset value of the Target Group as at 30 September 2023 of approximately HK\$15,982,000, the total consideration paid by the Group for the acquisition of 51% of the issued share capital in the Target Company on 4 March 2022 and the existing operations and future business prospects of the Target Group.

As the Target Group was initially established by the Offeror, the Acquisition Shares was not acquired by the Offeror from a third party. Thus, there is no original acquisition cost for the Acquisition Shares. The Company acquired 51% of the issued share capital in the Target Company on 4 March 2022 at the consideration of HK\$17,000,000.

Consideration Shares

A total of 46,052,632 Consideration Shares will be issued and allotted, representing approximately 10.95% of the existing issued share capital of the Company as of the date of this joint announcement and approximately 7.94% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares and the Subscription Shares (assuming the Completion Date falls on the Long Stop Date).

The issue price of HK\$0.38 per Consideration Share represents:

- (a) a discount of approximately 9.52% to the closing price of HK\$0.420 per Share as quoted on the Stock Exchange on 30 October 2023, being the Last Trading Day;
- (b) a discount of approximately 9.09% to the average closing price of approximately HK\$0.418 per Share based on the daily closing prices as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- (c) a discount of approximately 8.87% to the average closing price of approximately HK\$0.417 per Share based on the daily closing prices as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day; and
- (d) a premium of approximately HK\$0.44 per Share over the Group's audited consolidated net liabilities attributable to the Shareholders of approximately HK\$0.06 per Share as at 31 March 2023, calculated by dividing the Group's audited consolidated net liabilities attributable to the Shareholders of approximately HK\$25,000,000 as at 31 March 2023 by 420,759,000 Shares in issue as at the date of this joint announcement.

The issue price of HK\$0.38 per Consideration Share was arrived at after arm's length negotiations between the Offeror and the Company after taking into account, among others, the prevailing market price of the Shares, the financial performance of the Group and the current market conditions.

The Consideration Shares, when issued and allotted, will rank *pari passu* in all respects with the Shares then in issue as at the date of allotment and issue.

The Consideration Shares will be issued and allotted pursuant to the Specific Mandate proposed to be sought from the Independent Shareholders at the EGM.

An application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Consideration Shares.

Conditions precedent

Acquisition Completion is conditional upon fulfilment or waiver (as the case may be) of the following conditions:

- (a) the passing of the ordinary resolutions by the Independent Shareholders at the EGM to be convened and held to approve the Acquisition Agreement and the transactions contemplated thereunder, including the grant of the Specific Mandate for the issue and allotment of the Consideration Shares;
- (b) the obtaining of a valuation report (in form and substance satisfactory to the Company) from an independent valuer appointed by the Company and showing the value of 100% of the Target Group as a group;
- (c) the Offeror's warranties as set out in the Acquisition Agreement remaining true and not misleading in all respects;
- (d) the Company's warranties as set out in the Acquisition Agreement remaining true and not misleading in all respects;
- (e) the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in the Consideration Shares; and
- (f) conditions precedent (a) and (b) of the Subscription Agreement (as set out in the section headed "Subscription Agreement – Conditions precedent" below) having been satisfied.

The Offeror may at any time waive in whole or in part and conditionally or unconditionally condition precedent (d) above by notice in writing to the Company.

The Company may at any time waive in whole or in part and conditionally or unconditionally condition precedent (c) above by notice in writing to the Offeror. The other conditions precedent cannot be waived by either party. None of the conditions precedent has been fulfilled as at the date of this joint announcement.

The Offeror and the Company shall use their best commercial efforts to procure satisfaction of the conditions (other than those waived by the relevant party), by 4:00 p.m. on the Long Stop Date.

If the conditions precedent have not been satisfied, or where applicable, waived on or before 4:00 p.m. on the Long Stop Date, or such later date as the Offeror and the Company may agree, the Acquisition shall cease and terminate immediately on the Long Stop Date (save and except for some clauses which shall continue to have full force and effect), and thereafter neither the Offeror nor the Company shall have any obligations and liabilities which have been accrued prior to termination towards each other under the Acquisition Agreement.

Acquisition Completion

Acquisition Completion shall take place on the date falling seven (7) Business Days after all the conditions precedent have been satisfied or waived, or such later date as the Offeror and the Company may agree. Acquisition Completion shall take place simultaneously with the Subscription Completion.

Upon Acquisition Completion, the Target Company will become a wholly-owned subsidiary of the Company.

INFORMATION OF THE TARGET GROUP

The Target Company

The Target Company is an investment holding company incorporated in the British Virgin Islands on 5 August 2021 with limited liability. As at the date of hereof, the Target Company is an investment holding company and its issued share capital is owned as to 51% by the Company and 49% by the Offeror respectively.

The Hong Kong Company

The Hong Kong Company is an investment holding company incorporated in Hong Kong on 17 September 2021 with limited liability. It is directly wholly-owned by the Target Company and directly holds the entire equity interest of the PRC Holding.

The PRC Holding

The PRC Holding is an investment holding company established in the PRC on 29 December 2021 with limited liability. It is directly wholly-owned by the Hong Kong Company and owns the entire equity interest of each of the PRC Subsidiaries.

The PRC Subsidiaries

Each of the PRC Subsidiaries is a company established in the PRC directly wholly-owned by the PRC Holding with limited liability.

Principal businesses of the PRC Subsidiaries

The PRC Subsidiaries automobile leasing business is mainly conducted through Huzhou Jinyuhong. The PRC Subsidiaries established its first business of automobile leasing in Huzhou, the PRC in March 2020, and in view of the strong momentum of such business, the PRC Subsidiaries have subsequently set up and expanded their automobile leasing business into new strategic locations in the PRC, including three locations in Ningbo in May 2020, two locations in Shaoxing in May 2020, three locations in Jiaxing in September 2020, one location in Taizhou in December 2021 and two additional new locations also in Huzhou in October 2020.

In respect of the automobile leasing business, the PRC Subsidiaries (being the lessors) delivers automobiles to the end users (being the lessees) who will in return make periodic lease payments to the PRC Subsidiaries.

Financial Information

Set out below is the combined unaudited financial information of the Target Group prepared in accordance with the Hong Kong Financial Reporting Standards.

	For the year ended 31 March 2022 <i>HK\$'000</i>	For the year ended 31 March 2023 <i>HK\$'000</i>
Net Profit/(Loss) before taxation and extraordinary items	(1,821)	7,439
Net Profit/(Loss) after taxation and extraordinary items	(1,831)	7,466

According to the unaudited financial information of the Target Group, the net asset value of the Target Group as of 31 March 2023 was approximately HK\$15,750,000.

Upon Acquisition Completion, the Hong Kong Company, the PRC Holding and each of the PRC Subsidiaries will become an indirect wholly-owned subsidiary of the Company.

Pursuant to Rules 14.58(6) and (7) of the Listing Rules, the Company is required to disclose the unaudited financial information relating to the Target Group in this joint announcement. Pursuant to Rule 10 of the Takeovers Code, disclosure of the unaudited financial information of the Target Group constitutes a profit forecast and should be reported on by the Independent Financial Adviser and auditors in accordance with Rule 10 of the Takeovers Code (the “**Reports**”), and the Reports must be included in this joint announcement in accordance with Rule 10.4 of the Takeovers Code. Due to the time required for the preparation of the Reports and the time constraint in issuing this joint announcement in compliance with Chapter 14 of the Listing Rules, the parties have encountered genuine practical difficulties in meeting the reporting requirements under Rule 10 of the Takeovers Code for the purpose of this joint announcement. Under Rule 10.4 of the Takeovers Code, if the unaudited financial information of the Target Group is published first in an announcement, it must be repeated in full, together with the Reports on the said profit forecast, in the next document to be sent to the Shareholders. However, if the financial information of the Target Group is audited by the time of release of and set out in the next document to be sent, being the circular, to the Shareholders, the requirements to report on the audited financial information of the Target Group under Rule 10.4 of the Takeovers Code will no longer apply. As at the date of this joint announcement, the audit on the

financial information of the Target Group for the years ended 31 March 2021, 2022 and 2023 and for the six months ended 30 September 2023 have not been completed. It is expected that the audit work on the financial information of the Target Group for the years ended 31 March 2021, 2022 and 2023 and for the six months ended 30 September 2023 will be completed by or around mid-November 2023. A full set of the aforesaid audited financial information relating to the Target Group prepared and reported upon by the auditor under Hong Kong Financial Reporting Standards, will be included in the circular to be issued by the Company.

The unaudited financial information of the Target Group does not meet the standard required under Rule 10 of the Takeovers Code. Shareholders and potential investors of the Company are advised to exercise caution in placing reliance on the unaudited financial information of the Target Group in assessing the merits and demerits of the Acquisition and the Offers.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Acquisition will enable the Group to further benefit from the economic returns brought by the Target Group. Further, the Target Group has been expanding its business operations and developing its customer base in the PRC. It is expected that the Acquisition would provide the Group with the opportunity to enhance the competitiveness of the Target Group and to further integrate the Group's ecosystem and development as a whole, positioning it favourably to seize market opportunities and strengthen its market presence in the automobile leasing industry in the PRC, thereby generating favourable returns to the Group.

Having considered the above-mentioned benefits to the Group, the Board (excluding those Directors who have abstained from voting) believes that the terms of the Acquisition Agreement are on normal commercial terms, fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

SUBSCRIPTION AGREEMENT

Date: 30 October 2023 (after trading hours)

Parties: (a) the Company, as the issuer; and
(b) the Offeror, as the subscriber.

Pursuant to the Subscription Agreement, the Company conditionally agreed to issue and allot, and the Offeror conditionally agreed to subscribe for, the Subscription Shares at the Subscription Price of HK\$0.38 for each Subscription Share.

As aforementioned, the Offeror is a controlling shareholder and a connected person of the Company. For further details of the parties, please refer to sections headed “Information of the Group” and “Information of the Offeror” below.

Consideration

As at the date of this joint announcement, the Offeror has advanced the following Loans to the Company:

- (a) an unsecured term loan facility made available by the Offeror to the Company with an aggregate principal amount of up to HK\$50,000,000 at an interest rate of 6% per annum and repayable on 20 October 2024 pursuant to a loan agreement dated 21 October 2021 made between the Offeror and the Company; and
- (b) an unsecured loan note issued by the Company to the Offeror in the principal amount of HK13,188,500 at an interest rate of 4.58% per annum with the maturity date falling on 3 March 2025 pursuant to a loan note instrument dated 4 March 2022 made between the Company and the Offeror.

As at the date of this joint announcement, the total outstanding principal amount and all accrued and unpaid interests of the Loans amounted to HK\$42,073,159.

The aggregate consideration for the issue and allotment of the Subscription Shares shall be offset against the Loan Capitalisation Amount (i.e. comprising the total outstanding principal amount and all accrued and unpaid interests of the Loans up to and including the Completion Date) with effect at Subscription Completion. The issue and allotment of the Subscription Shares on the Completion Date will be deemed as an absolute discharge and full and final satisfaction and settlement of the Loans, and the Offeror shall no longer have any rights, title, interests or benefits in or in relation to the Loans under the relevant Loan Documents.

The Subscription Shares

The total number of Subscription Shares to be issued to the Offeror shall be calculated by dividing the Loan Capitalisation Amount by the Subscription Price.

For the purpose of illustration, assuming that the Completion Date falls on the Long Stop Date (i.e. 31 March 2024), the total number of Subscription Shares to be issued to the Offeror will be 113,156,379 (based on the Loan Capitalisation Amount of HK\$42,999,424 on the Long Stop Date divided by the Subscription Price), which will have an aggregate nominal value of HK\$1,131,563.79, and will represent:

- (a) approximately 26.89% of the existing issued share capital of the Company as at the date of this joint announcement; and
- (b) approximately 19.51% of the issued share capital of the Company as enlarged by the issue of the Consideration Shares and the Subscription Shares (assuming that there are no other changes in the share capital of the Company between the date of the Subscription Agreement and the Completion Date other than the issue and allotment of the Consideration Shares and the Subscription Shares).

The Subscription Shares shall, when allotted and issued, rank *pari passu* in all respects with all other Shares then in issue.

The Subscription Shares will be issued and allotted pursuant to the Specific Mandate proposed to be sought from the Independent Shareholders at the EGM.

An application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares.

The Subscription Price

The Subscription Price of HK\$0.38 per Subscription Share, representing:

- (a) a discount of approximately 9.52% to the closing price of HK\$0.420 per Share as quoted on the Stock Exchange on 30 October 2023, being the Last Trading Day;
- (b) a discount of approximately 9.09% to the average closing price of approximately HK\$0.418 per Share based on the daily closing prices as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;

- (c) a discount of approximately 8.87% to the average closing price of approximately HK\$0.417 per Share based on the daily closing prices as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day; and
- (d) a premium of approximately HK\$0.44 per Share over the Company's audited consolidated net liabilities attributable to the Shareholders of approximately HK\$0.06 per Share as at 31 March 2023, calculated by dividing the Group's audited consolidated net liabilities attributable to the Shareholders of approximately HK\$25,000,000 as at 31 March 2023 by 420,759,000 Shares in issue as at the date of this joint announcement.

The Subscription Price was determined after arm's length negotiations between the Company and the Offeror after taking into account, among others, the prevailing market price of the Shares, the financial performance of the Group and the current market conditions, and the issue price per Consideration Share of HK\$0.38.

Conditions precedent

Subscription Completion is conditional upon fulfilment of the following conditions:

- (a) the passing of the ordinary resolutions by the Independent Shareholders at the EGM to approve the Subscription Agreement and the transactions contemplated thereunder, including the issue and allotment of the Subscription Shares and the grant of the Specific Mandate for the issue and allotment of the Subscription Shares;
- (b) the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in the Subscription Shares on the Stock Exchange; and
- (c) conditions precedent (a) to (e) of the Acquisition Agreement (as set out in the section headed "Acquisition Agreement – Conditions precedent" above) having been satisfied (or waived, if applicable).

The Offeror and the Company shall use all their best commercial efforts to procure satisfaction of all of the conditions precedent by 4:00 p.m. on the Long Stop Date. None of the above conditions precedent shall be waived by the parties.

If the conditions precedent have not been satisfied at or prior to 4:00 p.m. on the Long Stop Date, or such later date as the Offeror and the Company may agree, the Subscription Agreement shall terminate immediately on the Long Stop Date (save and except the surviving provisions and without prejudice to the rights and/or obligations of any party in respect of any antecedent breach), and the Offeror and the Company shall be released and discharged from their respective obligations under the Subscription Agreement.

Subscription Completion

Subscription Completion shall take place on the date falling seven (7) Business Days after all the conditions precedent have been satisfied, or such later date as the Company and the Offeror may agree. Subscription Completion shall take place simultaneously with the Acquisition Completion.

REASONS AND BENEFITS FOR THE SUBSCRIPTION

Through the Loan Capitalisation, the finance costs of the Group will decrease significantly. Hence, after the completion of the Subscription, both the capital structure and the financial position of the Group will be improved and the net current liabilities position will turnaround into a net current asset position. As such, with a strengthened financial position to enhance our general working capital, the Group will be able to leverage on its resources to develop and expand its leasing business.

In light of the above, the Directors (excluding those Directors who have abstained from voting) consider that the terms of the Subscription Agreement are fair and reasonable, and that the Subscription is in the interests of the Company and Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activity in the twelve months immediately before the date of this joint announcement.

IMPLICATION UNDER THE LISTING RULES

As one or more of the applicable percentage ratios (as defined under Chapter 14 of the Listing Rules) in respect of the transactions are 25% or more but less than 100%, the entering into of the Acquisition Agreement constitutes a major transaction for the Company and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of this joint announcement, the Offeror is interested in an aggregate of 152,055,903 Shares (whereby it (i) directly owns 8,250,000 Shares; and (ii) owns the entire issued share capital of Perfect Honour which directly owns 143,805,903 Shares), representing approximately 36.14% of the existing issued Shares. The Offeror is thus a controlling shareholder and a connected person of the Company. As such, the entering into of each of the Acquisition Agreement and the Subscription Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the approval of the Independent Shareholders at the EGM. The Offeror and its associates and parties acting in concert with it will abstain from voting on the resolutions at the EGM.

Pursuant to Chapter 14A, an Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Lie Chi Wing, Mr. Ng Wing Chung Vincent and Mr. Ng Yuk Yeung Paul, has been established to advise the Independent Shareholders in respect of the Acquisition Agreement and the Subscription Agreement. An independent financial adviser will be appointed to advise the Independent Board Committee in respect of the Acquisition Agreement and the Subscription Agreement. The members of the Independent Board Committee will make a recommendation to the Independent Shareholders in respect of the Acquisition Agreement and the Subscription Agreement as to whether their terms are, or are not, fair and reasonable. A further announcement will be made by the Company upon the appointment of the Independent Financial Adviser.

Ms. Jacqueline Wong and Ms. Michelle Wong are both beneficiaries of two discretionary trusts, namely Allied Luck Trust and Aceyork Trust, which together are (i) interested in approximately 40.95% of the issued share capital of the Company; and (ii) interested in approximately 57.05% of the issued share capital of the Offeror, and Mr. David Wong, a non-executive Director and a director and the chief executive officer of the Offeror, they are considered to have material interests in the Acquisition and the Subscription therefore they have abstained from voting on the Board resolutions approving the Acquisition and the Subscription and the transactions contemplated thereunder. The independent non-executive Directors will express their view after considering the advice from the Independent Financial Adviser and they have abstained from voting on the Board resolutions approving the Acquisition and the Subscription and the transactions contemplated thereunder. Save for the aforesaid, no other Directors have abstained from voting on the said Board resolutions.

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER

As at the date of this joint announcement, the Company has (i) a total of 420,759,000 Shares in issue; (ii) 5,594,000 Options outstanding, which may be exercised for up to 5,594,000 additional Shares at a price of HK\$0.400 per Option; and (iii) outstanding Convertible Bonds in the principal amount of HK\$2,541,000 (convertible into 16,500,000 Shares at HK\$0.154 per Share). Save as disclosed above, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this joint announcement.

As at the date of this joint announcement, the Offeror itself owns (or has control or direction over) 8,250,000 Shares, or approximately 1.96% of the total voting rights of the Company, and Convertible Bonds in the principal amount of HK\$2,541,000). The Offeror Concert Group directly or indirectly owns (or has control or direction over) 172,290,145 Shares, or approximately 40.95% of the total voting rights of the Company, and 5,200,000 Options. As at the date of this joint announcement, Solomon Glory Limited, a wholly-owned subsidiary of the Offeror, holds a short position in 38,503,380 Charged Shares (representing approximately 9.15% of the issued share capital of the Company), which are held by Yong Hua International Limited (which has the voting right over the Charged Shares) and charged to Solomon Glory Limited. The Charged Shares are subject to an order issued on 13 March 2019 by The High Court of Hong Kong, details of which are set out in the announcement of the Company dated 4 July 2019. Pursuant to the court order, the Charged Shares shall be sold at a price not more than 10% discount to the average closing prices of the Shares as quoted on the Stock Exchange for the previous 10 consecutive trading days prior to the date of sale of such Charged Shares or any of them. As at the date of this joint announcement, none of the Charged Shares has been sold by Yong Hua International Limited.

According to the information available based on the disclosure of interest forms, Yong Hua International Limited is wholly owned by Mr. Xie Xiaoqing, who is also interested in 12,704,220 Shares (representing approximately 3.02% of the issued share capital of the Company) in addition to 38,503,380 Charged Shares. As (i) the Charged Shares are held by Yong Hua International Limited; and (ii) Solomon Glory Limited does not have any control or voting right over the 38,503,380 Charged Shares, the Charged Shares will be subject to the Share Offer. The Offeror has not reached any agreement or understanding with any party including Yong Hua International Limited and China Galaxy International Securities (Hong Kong) Co., Limited (as agent of Yong Hua International Limited) in respect of the acceptance of the Share Offer in relation to the Charged Shares.

The Acquisition Completion will result in the Offeror acquiring an additional 46,052,632 new Shares (or approximately 7.94% voting rights of the Company calculated based on the issued share capital of the Company as enlarged by the issue and allotment of the Consideration Shares), and together with the Subscription Completion (assuming Completion Date falls on the Long Stop Date), will result in (i) the Offeror acquiring an additional 113,156,379 new Shares (or approximately 19.51% voting rights of the Company calculated based on the issued share capital of the Company as enlarged by the issue and allotment of the Consideration Shares and the Subscription Shares). Upon the Acquisition Completion and Subscription Completion, the Offeror Concert Group will be interested in approximately 57.16% of the total voting rights of the Company.

Such acquisition of additional voting rights of the Company has the effect of increasing the holdings of the Offeror itself and the collective holdings of the Offeror Concert Group of voting rights of the Company by more than 2% from the lowest percentage holdings of the Offeror or of the Offeror Concert Group in the 12 month period ending on and including the date of such acquisition.

Pursuant to Rule 26.1 of the Takeovers Code, upon Acquisition Completion and Subscription Completion, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror Concert Group). In addition, the Offeror is also obliged to make an appropriate cash offer to the Offer Optionholders to cancel all the Offer Options under Rule 13 of the Takeovers Code.

As the Offeror are currently holding all outstanding Convertible Bonds, it is not necessary for the Offeror to make an offer for the outstanding Convertible Bonds. The Offeror does not intend to exercise the conversion rights attached to the outstanding Convertible Bonds or transfer such Convertible Bonds to any other persons before the close of the Offers.

Subject to and upon the Acquisition Completion and Subscription Completion, Ping An will, for and on behalf of the Offeror, make the Offers on the following basis:

The Share Offer

For each Offer Share HK\$0.38 in cash

The Share Offer Price of HK\$0.38 is equivalent to the price per Consideration Share under the Acquisition Agreement and to the Subscription Price under the Subscription Agreement.

The Offer Shares to be acquired under the Share Offer shall be fully paid and clear of any lien and together with all rights and interests attaching thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of the despatch of the Composite Document. The Company has no intention to make any distribution or declare dividends before the Closing Date.

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

The Share Offer Price of HK\$0.38 per Offer Share represents:

- (a) a discount of approximately 9.52% to the closing price of HK\$0.420 per Share as quoted on the Stock Exchange on 30 October 2023, being the Last Trading Day;
- (b) a discount of approximately 9.09% to the average closing price of approximately HK\$0.418 per Share based on the daily closing prices as quoted on the Stock Exchange for five (5) consecutive trading days immediately prior to and including the Last Trading Day;

- (c) a discount of approximately 8.87% to the average closing price of approximately HK\$0.417 per Share based on the daily closing prices as quoted on the Stock Exchange for ten (10) consecutive trading days immediately prior to and including the Last Trading Day;
- (d) a discount of approximately 7.54% to the average closing price of approximately HK\$0.411 per Share based on the daily closing prices as quoted on the Stock Exchange for thirty (30) consecutive trading days immediately prior to and including the Last Trading Day; and
- (e) a premium of approximately HK\$0.44 per Share over the audited consolidated net liabilities value attributable to the Shareholders of approximately HK\$0.06 per Share as at 31 March 2023, calculated by dividing the Group's audited consolidated net liabilities attributable to the Shareholders of approximately HK\$25,000,000 as at 31 March 2023 by 420,759,000 Shares in issue as at the date of this joint announcement.

The Option Offer

For the cancellation of each of Offer Options. HK\$0.01 in cash

As at the date of this joint announcement, there were 5,594,000 outstanding Options granted under the Share Option Scheme, entitling the Optionholders to subscribe for an aggregate of 5,594,000 Shares at an exercise price of HK\$0.40.

The Offeror will make an appropriate offer to the Optionholders to cancel every Option they hold in accordance with Rule 13 of the Takeovers Code.

Pursuant to Rule 13 and Practice Note 6 of the Takeovers Code, the Option Offer Price would normally represent the difference between the exercise price of the Options and the Share Offer Price. As the exercise price of the outstanding Options are above the Share Offer Price, the outstanding Options are out of the money and the Option Offer Price is therefore set at a nominal value of HK\$0.01 per Offer Option.

Conditions to the Offers

The making of the Offers is conditional only on the Acquisition Completion and Subscription Completion. When the Offers are made, they will be unconditional offers.

Highest and Lowest Closing Price of the Shares

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately preceding the commencement of the Offer Period (i.e. 30 April 2023) and up to and including the Last Trading Day were HK\$0.495 per Share (on 14 August 2023) and HK\$0.18 per Share (on 13 July 2023), respectively.

Irrevocable Option Undertaking

As at the date of this joint announcement, the following Options were held by the OCP Optionholders (each being a member of the Offeror Concert Group):

Name	Exercise price of Options (HK\$)	Number of outstanding Options held
Ms. Michelle Wong	0.40	400,000
Ms. Jacqueline Wong	0.40	400,000
Ms. Wong Emilie Hoi Yan	0.40	400,000
Mr. David Wong	0.40	<u>4,000,000</u>
Total		<u><u>5,200,000</u></u>

Save as disclosed above, neither the Offeror nor any parties acting in concert with it held any Option as at the date of this joint announcement. Each of the OCP Optionholders has given the Irrevocable Option Undertaking in favour of the Offeror, pursuant to which, each of the OCP Optionholders has undertaken that he/she will not accept the Option Offer in respect of the Options held by him/her and has undertaken that he/she will not exercise any Options held by him/her. The Irrevocable Option Undertaking shall terminate immediately if the Offers are not made in accordance with the requirements under the Takeovers Code or the Offers close.

Value of the Offers

As at the date of this joint announcement, there are 420,759,000 Shares in issue. On the basis of the Share Offer Price of HK\$0.38 per Share, the entire issued ordinary share capital of the Company would be valued at HK\$159,888,420.

As at the date of this joint announcement, there are 5,594,000 Options granted and outstanding, which have all been vested. Pursuant to the terms of the Share Option Scheme, in the event a general offer is made to the Shareholders (and such offer becomes or is declared unconditional), the Optionholders shall be entitled to exercise the Options in full.

Assuming the Offers are accepted in full on the basis that (i) none of the Options are exercised prior to the Closing Date and there will be 394,000 outstanding Options remaining for acceptance of the Option Offer as the OCP Optionholders (holding an aggregate of 5,200,000 Options) have undertaken that they will not accept the Option Offer; and (ii) there is no change in the issued share capital of the Company up to the Closing Date and accordingly a total of 248,468,855 issued Shares (representing the Shares not already held or to be acquired by the Offeror Concert Group) will be subject to the Share Offer, the total consideration payable by the Offeror under the Offers would be approximately HK\$94,422,104.9 (inclusive of HK\$94,418,164.9 for the Share Offer and HK\$3,940.0 for the Option Offer).

Assuming that (i) all of the Options (excluding the Options held by the OCP Optionholders) are exercised in full prior to the Closing Date and there will be no outstanding Options remaining for acceptance of the Option Offer as the OCP Optionholders (holding an aggregate of 5,200,000 Options) have undertaken that they will not accept the Option Offer; and (ii) there is no other change in the issued share capital of the Company up to the Closing Date and accordingly a total of 248,862,855 Shares (representing the Shares not already held or to be acquired by the Offeror Concert Group including the 394,000 new Shares to be issued pursuant to the Options being exercised in full) will be subject to the Share Offer, the total consideration payable by the Offeror under the Share Offer would amount to approximately HK\$94,567,884.9.

Confirmation of Financial Resources

The Offeror intends to finance the maximum value of the Offers of HK\$94,567,884.9 as calculated in above through a borrowing from Mr. Wong Charles Yu Long to the Offeror.

Ping An is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the maximum value of the Offers.

Effect of Accepting the Offers

Acceptance of the Share Offer by any Offer Shareholders will constitute a warranty by such person that all Offer Shares to be sold by such person under the Share Offer are fully paid and free and clear of all lien whatsoever together with all rights and interests attaching thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date of the Composite Document.

The Company confirms that as at the date of this joint announcement, (i) it has not declared any dividend which is not yet paid; and (ii) it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing of the Offers.

By validly accepting the Option Offer, the Offer Options tendered by the Offer Optionholders will be cancelled and cease to be exercisable.

As the Offers, if and when made, will be unconditional, acceptance of the Offers would be irrevocable and would not be capable of being withdrawn in accordance with the Takeovers Code except under Rule 19.2.

Results of the Offers

By 6:00 p.m. on a Closing Date, the Offeror will inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offers. The Offeror and the Company will publish announcement in accordance with the Listing Rules and Rule 19 of the Takeovers Code by 7:00 p.m. on the Closing Date stating whether the Offers have been revised or extended and other particulars required.

Settlement of consideration and return of share certificates

The Offers, if and when made, will be unconditional. Payment in cash in respect of acceptances of the Offers will be posted or delivered as soon as possible but in any event within seven (7) business days (as defined in the Takeovers Code) after the receipt of duly completed acceptances of the Offers.

Share certificates or documents evidencing title to the relevant Shares or Options acceded to the relevant Offers must be received by the Offeror (or its agent) to render such acceptances of the Offers complete and valid.

In the event where part of the Shares or Options represented in such share certificate or document evidencing title are not tendered for acceptance by such Offer Shareholder or Offer Optionholder, the Offeror will, as soon as possible but in any event no later than when the payment in cash in respect of acceptances of the Offers is paid for by the Offeror, despatch the share certificates or documents evidencing title to the relevant Shares or Options representing the untaken or untendered Shares or Options to, or make such share certificates or documents evidencing title to the relevant Shares or Options available for collection by, those Offer Shareholders or Offer Optionholders accepting the relevant Offers.

No fractions of a cent will be payable. The amount of the consideration payable to an Offer Shareholder or an Offer Optionholder who accepts the relevant Offers will be rounded up to the nearest whole cent.

Overseas Shareholders and Overseas Optionholders

The Offeror intends to make the Offers available to all Offer Shareholders and Offer Optionholders, including the Overseas Shareholders and Overseas Optionholders.

However, the Offers to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident. The making of the offers to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Overseas Shareholders and/or Overseas Optionholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek independent legal advice. It is the responsibility of Overseas Shareholders and the Overseas Optionholders who wish to accept the Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offers (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Overseas Shareholders and Overseas Optionholders in respect of such jurisdictions).

In the event that the despatch of the Composite Document to Overseas Shareholders or Overseas Optionholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the Directors regard as unduly onerous or burdensome (or otherwise not in the best interests of the Company or Shareholders), the Composite Document will not be despatched to such Overseas Shareholders or such Overseas Optionholders.

For that purpose, the Company will apply for any waivers as may be required by the Executive 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 Composite Document to such Overseas Shareholders or Overseas Optionholders.

Any acceptance of the Offers by any Overseas Shareholder and/or Overseas Optionholder will be deemed to constitute a representation and warranty from such Overseas Shareholder and/or Overseas Optionholder to the Offeror that the local laws and requirements have been complied with. Overseas Shareholders and Overseas Optionholders should consult their professional advisers if in doubt.

Hong Kong Stamp Duty

Offer Shareholders' Hong Kong ad valorem stamp duty arising in connection with acceptance of the Share Offer at a rate of 0.13% of the consideration payable in respect of the relevant acceptances, or (if higher) the value of the Shares as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), will be deducted from the amount payable to the Offer Shareholders who accept the Share Offer. The Offeror will then arrange for payment of the stamp duty on behalf of those Offer Shareholders who accepted the Share Offer.

The Offeror will bear the Offeror's ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfer of the Offer Shares.

No stamp duty is payable in connection with the acceptance of the Option Offer.

Taxation Advice

Offer Shareholders and Offer Optionholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the Offers. It is emphasized that none of the Company, the Offeror or parties acting in concert with it or any of their respective directors, officers or associates or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

DEALING AND INTERESTS IN THE SECURITIES OF THE COMPANY

The Offeror confirms that, save as disclosed herein, as at the date of this joint announcement:

- (a) neither the Offeror nor any person acting in concert with it owned or had control or direction over any voting rights or rights over the Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities;
- (b) save as disclosed below, neither the Offeror nor any person acting in concert with it had dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities in the six months prior to and including the date of this joint announcement:

Entity	Trade Date	Type of Dealing	Number of Shares	Trade Price
Offeror	17 August 2023	Conversion of Convertible Bonds	8,250,000	HK\$0.154

- (c) save for the Acquisition Agreement, the Subscription Agreement, the Irrevocable Option Undertaking, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offers;
- (d) save for the Acquisition Agreement and the Subscription Agreement, there is no agreement or arrangement to which the Offeror or any person acting in concert with it, is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Offers;

- (e) neither the Offeror nor any person acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (f) neither the Offeror nor any person acting in concert with it has received any irrevocable commitment to accept the Offers;
- (g) there is no outstanding derivative in respect of the securities in the Company entered into by the Offeror or any person acting in concert with it;
- (h) save for the Acquisition Agreement, the Subscription Agreement and the Irrevocable Option Undertaking, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (a) any Shareholders; and (b)(i) the Offeror and any parties acting in concert with it, or (b)(ii) the Company, its subsidiaries or associated companies.

INFORMATION OF THE GROUP

The Company was incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. The Group is principally engaged in the provision of (i) leasing services in the PRC; and (ii) value added services including due diligence, credit investigation and debt collection services in Hong Kong, the PRC and Singapore.

Set out below is a summary of the audited financial information of the Group for each of the two financial years ended 31 March 2022 and 31 March 2023 as extracted from the annual report of the Company for the year ended 31 March 2023:

	For the year ended 31 March	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Revenue	84,833	35,120
Loss before taxation	(123,327)	(567,039)
Loss for the year	(123,316)	(567,813)

	As at 31 March	
	2023	2022
	<i>HK\$'000</i> (audited)	<i>HK\$'000</i> (audited)
Total assets	93,635	433,922
Total liabilities	(118,635)	(1,129,806)
Net liabilities	(25,000)	(695,884)

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the date of this joint announcement; and (ii) immediately upon the Acquisition Completion and Subscription Completion and before the Offers (assuming no other changes to the issued share capital of the Company from the date of this joint announcement):

Shareholders	As at the date of this joint announcement		Immediately upon the Acquisition Completion and Subscription Completion and before the Offers	
	<i>Number of Shares held</i>	<i>Approximate % of Shares in issue</i>	<i>Number of Shares held</i>	<i>Approximate % of Shares in issue</i>
Offeror and parties acting in concert with it				
– Offeror (<i>Note 1</i>)	8,250,000	1.96	167,459,011	28.88
– Parties acting in concert with the Offeror (<i>Note 1, 2</i>)	164,040,145	38.99	164,040,145	28.28
Subtotal	172,290,145	40.95	331,499,156	57.16
Mr. Xie Xiaoqing (<i>Note 3</i>)	51,207,600	12.17	51,207,600	8.83
Public Shareholders	<u>197,261,255</u>	<u>46.88</u>	<u>197,261,255</u>	<u>34.01</u>
Total	<u><u>420,759,000</u></u>	<u><u>100.00</u></u>	<u><u>579,968,011</u></u>	<u><u>100.00</u></u>

Note:

1. In addition to these interest in Shares, Solomon Glory Limited, a wholly-owned subsidiary of the Offeror, holds a short position in 38,503,380 Charged Shares, which are held by Yong Hua International Limited and charged to Solomon Glory Limited. Please refer to Note 3 below and the section headed “POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER” above in this joint announcement for further details.
2. Such Shares include (i) 143,805,903 Shares (representing approximately 34.18% of the issued share capital of the Company) held by Perfect Honour, a directly wholly-owned subsidiary of the Offeror, (ii) 10,127,176 Shares (representing approximately 2.41% of the issued share capital of the Company) held by Legend Crown; and (iii) 10,107,066 Shares (representing approximately 2.40% of the issued share capital of the Company) held by Plenty Boom. Legend Crown and Plenty Boom are wholly-owned by Ace York Management Trust (a discretionary trust founded by Ms. Jacqueline Wong), of which the trustee is Ace York Investment and the beneficiaries are Ms. Michelle Wong and Ms. Jacqueline Wong. Each of the aforesaid persons/entities is a party acting in concert with the Offeror under the Takeovers Code.
3. According to the information available based on the disclosure of interest forms, these Shares include (i) 2,117,370 Shares (representing approximately 0.50% of the issued share capital of the Company) held by Capital Grower Limited; (ii) 10,586,850 Shares (representing approximately 2.52% of the issued share capital of the Company) held by Clifton Rise International Limited; and (iii) 38,503,380 Charged Shares (representing approximately 9.15% of the issued share capital of the Company) held by Yong Hua International Limited, which are all companies wholly-owned by Mr. Xie Xiaoqing. Please refer to the section headed “POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER” above in this joint announcement for further details in respect of the Charged Shares.

INFORMATION OF THE OFFEROR

The Offeror is an investment holding company and a public company incorporated in Hong Kong with limited liability. The listing of the shares of the Offeror on the Stock Exchange has been withdrawn with effect from 2 August 2021.

The principal activities of the Offeror and its subsidiaries are (i) provision of property technology services in the PRC; and (ii) the provision of financial services business including financing and finance lease services, factoring services and automobile leasing services in the PRC.

As at the date of this joint announcement, two discretionary trusts namely Allied Luck Trust and Aceyork Trust, which hold 855,808,725 shares and 719,656,792 shares of the Offeror, representing approximately 30.99% and 26.06% of the issued share capital of the Offeror, respectively. The trustees and the settlors of these trusts were Mr. Wong Charles Yu Lung and Mrs. Wong Fang Pik Chun and the beneficiaries of these trusts were Ms. Michelle Wong and Ms. Jacqueline Wong and their children. As at the date of this joint announcement, (i) except for the Offeror Concert Group, there are approximately 200 registered shareholders of the Offeror, which include HKSCC Nominees Limited; (ii) the remaining shareholders of the Offeror are those who holds the shares of the Offeror immediately before the withdrawal of the listing of the shares of the Offeror; and (iii) none of the remaining shareholders of the Offeror holds more than 5% shareholding in the issued share capital of the Offeror. Mr. Wong Charles Yu Lung, Ms. Michelle Wong and Mr. David Wong are the directors of the Offeror. Mr. David Wong also acts as the chief executive officer of the Offeror.

Ms. Michelle Wong and Ms. Jacqueline Wong are daughters of Mr. Wong Charles Yu Lung and Mrs. Wong Fang Pik Chun, each of the aforesaid persons being a controlling shareholder of the Company. Ms. Michelle Wong, Ms. Jacqueline Wong and Mr. David Wong are non-executive Directors.

INTENTIONS REGARDING THE BUSINESS OF THE GROUP

The Offeror has no intention to terminate the employment of any employees of the Group or to make significant changes to any employment (except for a proposed change to the members of the Board at a time no earlier than that permitted under the Listing Rules and the Takeovers Code) or to dispose of or re-allocate the Group's fixed assets which relate to the ordinary and usual course of business of the Group as a result of completion of the Offers. However, the Offeror reserves the right to make such changes that it deems necessary or appropriate to the Group's business and operations to optimise the value of the Group.

As at the date of this joint announcement, no material investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

The Offeror does not intend to appoint new Directors in connection with the Offers.

PUBLIC FLOAT AND LISTING STATUS OF THE COMPANY

The Offeror has no intention to privatize the Company and intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offers.

The Stock Exchange has stated that if, at the close of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public at all times, or if the Stock Exchange believes that:

- (a) false market exists or may exist in the trading of the Shares; or
- (b) there are insufficient Shares in public hands to maintain an orderly market,

then it will consider exercising its discretion to suspend dealings in the Shares until the prescribed level of public float is restored.

The Offeror and the new Directors to be appointed to the Board (if any) will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares, which may include but not limited to placing down of sufficient number of accepted Shares by the Offeror and/or issue of additional Shares by the Company for this purpose. No arrangements have been confirmed or put in place as at the date of this joint announcement. Further announcement(s) will be made in accordance with the requirements of the Listing Rules and the Takeovers Code as and when appropriate.

EGM

An EGM will be convened and held for the Shareholders to consider and, if thought fit, to approve (i) the Acquisition Agreement, the Subscription Agreement and the transactions contemplated thereunder; and (ii) the granting of the Specific Mandate to issue and allot the Consideration Shares and the Subscription Shares. The Offeror and its associates and parties acting in concert with it will abstain from voting on the resolutions at the EGM.

As at the date of this joint announcement, the Offeror is interested in an aggregate of 152,055,903 Shares (whereby it (i) directly owns 8,250,000 Shares; and (ii) owns the entire issued share capital of Perfect Honour which is interested in 143,805,903 issued Shares of the Company), representing approximately 36.14% of the existing issued Shares.

Saved as disclosed herein, no Shareholder has a material interest in the transactions contemplated under the Acquisition Agreement and the Subscription Agreement and is required to abstain from voting on the resolution(s) to approve the Acquisition Agreement and the Subscription Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among other things, (i) further details of the Acquisition and the Subscription; and (ii) a notice convening the EGM, is required to be despatched within fifteen (15) Business Days (as defined in the Listing Rules) from the date of this joint announcement pursuant to Rule 14A.68(11) of the Listing Rules. The circular will be despatched to the Shareholders on or before 20 November 2023.

GO INDEPENDENT BOARD COMMITTEES AND GO INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, the GO Independent Board Committee (comprising a non-executive Director, Mr. Lau Hiu Fung, and all the independent non-executive Directors, namely Mr. Lie Chi Wing, Mr. Ng Wing Chung Vincent and Mr. Ng Yuk Yeung Paul, who have no direct or indirect interest in the Offers) has been established to advise the Offer Shareholders and Offer Optionholders in respect of the Offers.

As Ms. Jacqueline Wong and Ms. Michelle Wong are both beneficiaries of two discretionary trusts, namely Allied Luck Trust and Aceyork Trust, which together are interested in 57.05% of the issued share capital of the Offeror, and Mr. David Wong is a director and the chief executive officer of the Offeror, they are regarded as being interested in the Offers for the purpose of Rule 2.8 of the Takeovers Code and will accordingly not join the GO Independent Board Committee.

The GO Independent Financial Adviser will be appointed by the GO Independent Board Committee to advise the GO Independent Board Committee and the Offer Shareholders and Offer Optionholders in respect of the Offers. The advice of the GO Independent Financial Adviser and the recommendation of the GO Independent Board Committee in respect of the Offers, in particular, as to whether the Offers are, or are not, fair and reasonable and as to its acceptance, will be included in the Composite Document. A further announcement will be made by the Company upon the appointment of the GO Independent Financial Adviser.

DESPATCH OF COMPOSITE DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch an offer document containing the terms of the Offers, together with the Form of Acceptance, to the Offer Shareholders and Offer Optionholders within twenty-one (21) days after the date of this joint announcement, or such later date as the Executive may approve. As there is a pre-condition (i.e. completion of the Acquisition and Subscription) to the making of the Offers, the Offeror will apply to the Executive for a consent pursuant to Note 2 to Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of the Composite Document to within seven (7) days from the fulfillment of such pre-condition (i.e. completion of the Acquisition and Subscription).

If the Offers materialize, it is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Accordingly, the Composite Document containing, among other things, (i) the details of the Offers (including the expected timetable and terms of the Offers); (ii) a letter of recommendation from the GO Independent Board Committee in relation to the Offers; and (iii) a letter of advice from the GO Independent Financial Adviser to the GO Independent Board Committee in relation to the Offers, together with the Forms of Acceptance, will be issued and despatched by the Offeror and the Company jointly to the Shareholders in accordance with the Takeovers Code.

WARNING

The Offer Shareholders and Offer Optionholders are encouraged to read the Composite Document carefully, including the advice of the GO Independent Financial Adviser to the GO Independent Board Committee and the recommendation from the GO Independent Board Committee to the Offer Shareholders and Offer Optionholders in respect of the Offers, before deciding whether or not to accept the Offers.

The Offeror and the Company will make an announcement if and when Acquisition Completion and Subscription Completion take place in compliance with Rule 3.6 of the Takeovers Code or alternatively if Acquisition Completion and Subscription Completion cannot take place, and the Acquisition Agreement and the Subscription Agreement are terminated as a result.

Acquisition Completion and Subscription Completion are inter-conditional upon each other. The Offers will only be made if both Acquisition Completion and Subscription Completion take place. Acquisition Completion and Subscription Completion are subject to satisfaction and/or waiver of the conditions precedent contained in the Acquisition Agreement and the Subscription Agreement. Accordingly, Acquisition Completion and Subscription Completion may or may not take place and the Offers may or may not be made.

Shareholders, Optionholders and potential investors should note that the GO Independent Board Committee has yet to consider and evaluate the Offers. The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement.

Shareholders, Optionholders and potential investors are advised to monitor the announcements to be made by the Company or jointly by the Offeror and the Company in respect of the progress of the Offers and exercise caution when dealing in the securities of the Company. If Shareholders, Optionholders and potential investors are in any doubt about their position, they should consult their professional advisers.

DEALINGS DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company or the Offeror (including persons holding 5% or more of a class of relevant securities of the Company or the Offeror) are reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

The full text of Note 11 of Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation. “

DEFINITIONS

“Ace York Investment”	Ace York Investment Management Limited, a company incorporated in the British Virgin Islands with limited liability and the trustee of Ace York Management Trust, and is owned as to 50% by Ms. Michelle Wong and 50% by Ms. Jacqueline Wong
“Ace York Management Trust”	a discretionary trust founded by Ms. Jacqueline Wong, of which the trustee is Ace York Investment and the beneficiaries are Ms. Michelle Wong and Ms. Jacqueline Wong
“Acquisition Agreement”	the sale and purchase agreement dated 30 October 2023 between the Offeror (as vendor) and the Company (as purchaser) in relation to the sale and purchase of the Acquisition Shares
“Acquisition Completion”	the completion of the acquisition of the Acquisition Shares by the Company under the Acquisition Agreement
“Acquisition Consideration”	the total sum of HK\$17,500,000, being the consideration for the acquisition of the Acquisition Shares, which will be satisfied by the issue and allotment of the Consideration Shares at HK\$0.38 per Share under the Acquisition Agreement
“Acquisition”	the acquisition of the Acquisition Shares by the Company from the Offeror pursuant to the terms of the Acquisition Agreement
“Acquisition Shares”	a total of 49 issued ordinary shares, or 49% of the issued share capital, of the Target Company conditionally agreed to be acquired by the Company in accordance with the Acquisition Agreement
“acting in concert”	has the meaning ascribed to it in the Takeovers Code

“associate”	has the meaning ascribed to it in the Takeovers Code or the Listing Rules, as the context may require from time to time
“Business Day”	a day (other than a Saturday or Sunday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Charged Shares”	38,503,380 Shares held by Yong Hua International Limited and charged to Solomon Glory and which are subject to an order issued on 13 March 2019 by The High Court of Hong Kong
“Closing Date”	the date to be stated in the Composite Document as the first closing date of the Offers or any subsequent closing date as may be announced by the Offeror and approved by the Executive
“Completion Date”	the date on which the Acquisition Completion and Subscription Completion take place
“Circular”	a circular to be issued by the Company in respect of the Acquisition Agreement and the Subscription Agreement in accordance with the Listing Rules
“Company”	China Rongzhong Financial Holdings Company Limited, an exempted company incorporated in the Cayman Islands with limited liability and registered as a non-Hong Kong Company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) whose issued Shares are listed on the Main Board of the Stock Exchange
“Composite Document”	a composite document proposed to be jointly issued by Offeror and the Company to the Offer Shareholders and Offer Optionholders in connection with the Offers in accordance with the Takeovers Code that will set out, among other things, (a) the expected timetable in relation to the Offers, (b) a letter from Ping An setting out the terms of the Offers made on behalf of Offeror, and (c) letters from the GO Independent Board Committee and the GO Independent Financial Adviser
“connected person”	has the meaning ascribed to it under the Listing Rules

“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Consideration Shares”	a total of 46,052,632 new Shares to be issue and allotted by the Company at HK\$0.38 per Share to satisfy the consideration for the purchase of the Acquisition Shares under the Acquisition Agreement
“Convertible Bonds”	convertible bonds in an aggregate principal amount of HK\$3,811,500 at a conversion price of HK\$0.154 per conversion share issued by the Company to the Offeror on 4 March 2022, in which a maximum of 24,750,000 new Shares will be allotted and issued to the Offeror upon conversion of such convertible bonds
“Directors”	the director(s) of the Company
“EGM”	an extraordinary general meeting to be convened by the Company to consider and approve the Acquisition Agreement, the Subscription Agreement and the transactions contemplated by them respectively (including the grant of the Specific Mandate for the issue and allotment of the Consideration Shares and the Subscription Shares)
“Encumbrances”	any mortgage, charge, pledge, lien, (otherwise than arising by statute or operation of law), hypothecation or other encumbrance, priority or security interest, deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-leaseback arrangement whatsoever over or in any property, assets or rights of whatsoever nature and includes any agreement for any of the same and “Encumber” shall be construed accordingly
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Form(s) of Acceptance”	the form(s) of acceptance and transfer of Shares in respect of the Offers

“GO Independent Board Committee”	an independent committee of the Board (comprising a non-executive Director, Mr. Lau Hiu Fung and all independent non-executive Directors, namely Mr. Lie Chi Wing, Mr. Ng Wing Chung Vincent and Mr. Ng Yuk Yeung Paul) established for the purpose of providing recommendations in respect of the Offers, in particular as to whether the terms of the Offers are fair and reasonable and as to acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code
“GO Independent Financial Adviser”	an independent financial adviser, to be appointed by the GO Independent Board Committee to advise the GO Independent Board Committee and the Offer Shareholders and Offer Optionholders in respect of the Offers, in particular, as to whether the Offers are fair and reasonable, and as to acceptance
“Group”	the Company and its subsidiaries from time to time
“Hangzhou Jinyuhong”	杭州金寓宏汽車租賃服務有限公司 (Hangzhou Jinyuhong Automobile Leasing Services Co., Ltd.*), a company established under the laws of PRC on 19 October 2023 with limited liability
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Company”	Harvest Well Limited, a company incorporated in Hong Kong on 17 September 2021 with limited liability which is directly wholly-owned by the Company and directly holds the PRC Holding
“Huzhou Jinyuhong”	湖州金寓宏汽車租賃服務有限公司 (Huzhou Jinyuhong Automobile Leasing Services Co., Ltd.*), a company established under the laws of PRC on 23 December 2019 with limited liability
“Huzhou Zhuoan”	湖州卓安汽車租賃服務有限公司 (Huzhou Zhuoan Automobile Leasing Services Co., Ltd.*), a company established under the laws of PRC on 18 November 2021 with limited liability

“Huzhou Zhuofan”	湖州卓凡汽車租賃服務有限公司 (Huzhou Zhuofan Automobile Leasing Services Co., Ltd.*), a company established under the laws of PRC on 30 September 2020 with limited liability
“Independent Board Committee”	an independent committee of the Board comprising all independent non-executive Directors, namely Mr. Lie Chi Wing, Mr. Ng Wing Chung Vincent and Mr. Ng Yuk Yeung Paul established for the purpose of providing recommendations in respect of the Acquisition Agreement and the Subscription Agreement and transactions contemplated thereunder
“Independent Financial Adviser”	an independent financial adviser to be appointed for the purpose of advising the Independent Board Committee and the Independent Shareholders in respect of the Acquisition Agreement and the Subscription Agreement and the transactions contemplated thereunder under the Listing Rules
“Independent Shareholders”	Shareholders other than those who have any material interest in the Acquisition Agreement and the Subscription Agreement and the transactions contemplated by them
“Irrevocable Option Undertaking”	the irrevocable option undertakings dated 30 October 2023 given by each of the OCP Optionholders in favour of the Offeror that he/she will not, <i>inter alia</i> , accept the Option Offer in respect of their Options
“Jiaxing Jinyuhong”	嘉興金寓宏汽車租賃服務有限公司 (Jiaxing Jinyuhong Automobile Leasing Services Co., Ltd.*), a company established under the laws of PRC on 9 September 2020 with limited liability
“Jiaxing Zhuoan”	嘉興卓安汽車租賃服務有限公司 (Jiaxing Zhuoan Automobile Leasing Services Co., Ltd.*), a company established under the laws of PRC on 22 September 2022 with limited liability
“Jiaxing Zhuofan”	嘉興卓凡汽車租賃服務有限公司 (Jiaxing Zhuofan Car Rental Services Co., Ltd.*), a company established under the laws of PRC on 12 November 2021 with limited liability
“Jinhua Jinyuhong”	金華金寓宏汽車租賃服務有限公司 (Jinhua Jinyuhong Automobile Leasing Services Co., Ltd.*), a company established under the laws of PRC on 25 October 2023 with limited liability

“Last Trading Day”	30 October 2023, being the last full trading day of Shares on the Stock Exchange before the publication of this joint announcement
“Legend Crown”	Legend Crown International Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Ace York Management Trust
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loans”	the loans advanced by the Offeror to the Company, including the Loan Facility and the Loan Note
“Loan Capitalisation”	the proposed allotment and issue of the Subscription Shares at the Subscription Price, in which the aggregate consideration payable for the Subscription will be set off against the Loan Capitalisation Amount in accordance with the terms and conditions of the Subscription Agreement
“Loan Capitalisation Amount”	comprising the total outstanding principal amount and all accrued and unpaid interests of the Loans up to and including the Completion Date, in which the total outstanding principal amount and all accrued and unpaid interests of the Loans amounted to HK\$42,073,159 as at the date hereof
“Loan Document”	in relation to any Loan, the agreement, any facility agreement or loan note in respect of that Loan (or any part thereof) pursuant to which the monies were advanced to the Company (as varied from time to time in accordance with its applicable terms and conditions)
“Loan Facility”	an unsecured term loan facility made available by the Offeror to the Company with an aggregate principal amount of up to HK\$50,000,000 at an interest rate of 6% per annum and repayable on 20 October 2024 pursuant to a loan agreement dated 21 October 2021 made between the Offeror and the Company

“Loan Note”	an unsecured loan note issued by the Company to the Offeror in the principal amount of HK13,188,500 at an interest rate of 4.58% per annum with the maturity date falling on 3 March 2025 pursuant to a loan note instrument dated 4 March 2022 made between the Company and the Offeror
“Long Stop Date”	being 31 March 2024, or such other date as the Company and the Offeror may agree in writing pursuant to the Acquisition Agreement and the Subscription Agreement
“Mr. David Wong”	means Mr. Wong Ming Bun David, a non-executive Director, and a director of the Offeror
“Ms. Jacqueline Wong”	means Ms. Wong Jacqueline Yue Yee, a non-executive Director and a controlling shareholder of the Company
“Ms. Michelle Wong”	means Ms. Wong Michelle Yatyee, a non-executive Director, a controlling shareholder of the Company, and a director of the Offeror
“Ningbo Hongyue”	寧波宏悅汽車租賃服務有限公司 (Ningbo Hongyue Automobile Leasing Services Co., Ltd.*), a company established under the laws of PRC on 10 January 2022 with limited liability
“Ningbo Jinyuhong”	寧波金寓宏汽車租賃服務有限公司 (Ningbo Jinyuhong Automobile Leasing Services Co., Ltd.*), a company established under the laws of PRC on 27 May 2020 with limited liability
“Ningbo Zhuoling”	寧波卓領汽車租賃服務有限公司 (Ningbo Zhuoling Automobile Leasing Services Co., Ltd.*), a company established under the laws of PRC on 23 March 2021 with limited liability
“OCP Optionholder”	Ms. Michelle Wong, Ms. Jacqueline Wong, Mr. David Wong and Ms. Wong Emilie Hoi Yan, each being a member of the Offeror Concert Group who holds Options
“Offer Option”	any Option subject to the Option Offer
“Offer Optionholder”	a holder of any Option

“Offer Period”	has the meaning ascribed to it under the Takeovers Code
“Offer Share(s)”	Share(s) subject to the Share Offer
“Offer Shareholders”	Shareholders other than the Offeror Concert Group
“Offeror”	Goldbond Group Holdings Limited 金榜集團控股有限公司， a company incorporated in Hong Kong with limited liability and a controlling shareholder of the Company as at the date of this joint announcement
“Offeror Concert Group”	Offeror and the parties acting in concert with it or presumed to be acting in concert with the Offeror under the definition of “acting in concert” under the Takeovers Code
“Offers”	collectively, the Share Offer and the Option Offer
“Option(s)”	outstanding share options granted by the Company pursuant to the Share Option Scheme
“Option Offer”	possible mandatory unconditional cash offer to be made by Ping An for and on behalf of the Offeror to cancel all the Offer Options in accordance with the Takeovers Code after the Acquisition Completion and the Subscription Completion take place, the terms of which will be set out in the Composite Document as mentioned in this joint announcement
“Option Offer Price”	price at which the Option Offer is made, being HK\$0.01 per Offer Option
“Optionholder(s)”	holder(s) of the Option(s)
“Overseas Optionholder(s)”	Offer Optionholder(s) whose address(es), as shown on the register of Optionholders of the Company, is/are outside Hong Kong
“Overseas Shareholder(s)”	Offer Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong

“Perfect Honour”	Perfect Honour Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Offeror and a controlling shareholder of the Company interested in 143,805,903 Shares, representing approximately 34.18% of the issued share capital of the Company as at the date of this joint announcement
“Plenty Boom”	Plenty Boom Investments Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Ace York Management Trust
“Ping An”	Ping An of China Capital (Hong Kong) Company Limited, a corporation licensed to carry out type 6 (advising on corporate finance) regulated activities under the SFO and financial adviser to Offeror in relation to the Offers
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Holding”	金寓匯宏管理諮詢(上海)有限公司 (Jinyuhuihong Management Consulting (Shanghai) Co., Ltd.*), a wholly-owned foreign enterprise established in the PRC on 29 December 2021 with limited liability by the Offeror for the purpose of holding the equity interests in the PRC Subsidiaries
“PRC Subsidiaries”	Hangzhou Jinyuhong, Huzhou Jinyuhong, Huzhou Zhuoan, Huzhou Zhuofan, Jiaxing Jinyuhong, Jiaxing Zhuoan, Jiaxing Zhuofan, Jinhua Jinyuhong, Ningbo Hongyue, Ningbo Jinyuhong, Ningbo Zhuoling, Shaoxing Jinyuhong, Shaoxing Zhuoling, Taizhou Jingyuhong, Wenzhou Zhuofan and any such other subsidiaries which are to be established under the laws of the PRC, with the consent of the Company, from time to time, all of which are or will be directly wholly-owned by the PRC Holding
“Registrar”	Tricor Investor Services Limited, being the Hong Kong branch share registrar of the Company and the receiving agent for receiving and processing the acceptance of the Offers, located at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong

“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shaoxing Jinyuhong”	紹興金寓宏汽車租賃服務有限公司 (Shaoxing Jinyuhong Automobile Leasing Services Co., Ltd.*), a company established under the laws of PRC on 29 May 2020 with limited liability
“Shaoxing Zhuoling”	紹興卓領汽車服務有限公司 (Shaoxing Zhuoling Automobile Services Co., Ltd.*), a company established under the laws of PRC on 26 October 2020 with limited liability
“Share Offer”	possible mandatory unconditional cash offer to be made by Ping An, for and on behalf of the Offeror, to acquire all the issued Shares not already owned and/or agreed to be acquired by the Offeror Concert Group in accordance with the Takeovers Code after the Acquisition Completion and the Subscription Completion take place, the terms of which will be set out in the Composite Document as mentioned in this joint announcement
“Share Offer Price”	price at which the Share Offer is made, being HK\$0.38 per Offer Share
“Share Option Scheme”	share option scheme adopted by the Company on 18 December 2015, as amended from time to time
“Shareholder”	a holder of any Share
“Shares”	ordinary shares, current having par value of HK\$0.01 each, in the capital of the Company
“Subscription”	subscription of the Subscription Shares by the Offeror under the Subscription Agreement
“Specific Mandate”	the specific mandate for the issue and allotment of the Consideration Shares and the Subscription Shares to the Offeror, which is subject to the approval by the Independent Shareholders at the EGM

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the subscription agreement dated 30 October 2023 entered into between the Offeror (as subscriber) and the Company (as issuer) in respect of the Subscription
“Subscription Completion”	completion of the Subscription in accordance with the Subscription Agreement
“Subscription Price”	HK\$0.38 per Subscription Share
“Subscription Shares”	new Shares to be subscribed for at the Subscription Price by the Offeror, the amount of which shall be calculated by dividing the Loan Capitalisation Amount by the Subscription Price
“subsidiaries”	has the meaning ascribed to it in the Listing Rules
“Taizhou Jinyuhong”	台州金寓宏汽車租賃服務有限公司 (Taizhou Jinyuhong Car Rental Services Co., Ltd.*), a company established under the laws of PRC on 17 December 2021 with limited liability
“Target Company”	Ultimate Harvest Global Limited 至豐環球有限公司, a company incorporated in the British Virgin Islands on 5 August 2021 with limited liability, in which its issued share capital is respectively owned as to 49% by the Offeror and 51% by the Company
“Target Group”	the Target Company and its subsidiaries from time to time
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the SFC, as amended, supplemented or otherwise modified from time to time
“Wenzhou Zhuofan”	溫州卓凡汽車租賃服務有限公司 (Wenzhou Zhuofan Car Rental Services Co., Ltd.*), a company established under the laws of PRC on 23 October 2023 with limited liability

“%” means per cent.

By Order of the Board of Directors of
Goldbond Group Holdings Limited
金榜集團控股有限公司
Wong Charles Yu Lung
Director

By Order of the Board of Directors of
China Rongzhong Financial Holdings
Company Limited
中國融眾金融控股有限公司
Wong Emilie Hoi Yan
Executive Director

Hong Kong, 30 October 2023

As at the date of this joint announcement, the board of directors of Offeror comprises Mr. Wong Charles Yu Lung, Ms. Wong Michelle Yatyee and Mr. Wong Ming Bun David.

The directors of Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the executive Director of the Company is Ms. Wong Emilie Hoi Yan; the non-executive Directors of the Company are Mr. Lau Hiu Fung, Ms. Wong Jacqueline Yue Yee, Ms. Wong Michelle Yatyee and Mr. Wong Ming Bun David; and the independent non-executive Directors of the Company are Mr. Lie Chi Wing, Mr. Ng Wing Chung Vincent and Mr. Ng Yuk Yeung Paul.

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

* For identification purpose only